The Financial Post

The Canadian Newspaper for Businessmen and Investors

INVEST IN THE BEST

Vol. XXXIX Ten Cents an Issue, Five Dollars a Year Publication Office: Toronto, April 28, 1945 Member of Audit Bureau of Circulations No. 17

Stelco's New Chief

—Photo by Jean Merrill

Hugh Gerald Hilton, new president of the Steel Co. of Canada, is a practical steel man with widely acknowledged leadership qualities. Under his direction the big Hamilton plant has been the power centre for Stelco's hard-hitting war performance. Born in Strathroy, Ont., Mr. Hilton graduated as a mining engineer from the Case School in Cleveland, stayed some years in United States in blast furnace direction, joined Stelco in 1919 as assistant blast furnace superintendent. Now in his middle fifties, he is given much of the credit for his company's eminence in steel. Mr. Hilton allows himself few diversions beyond an occasional brief rest-up at his Muskoka summer home. He is a member of the steel control advisory committee.

THE NATION'S BUSINESS

Says Peace Possible On 25-year Basis

"I think we can succeed if we don't try to make peace for more than 25 years."

That was what one of the world's top political figures, now a key-man at San Francisco, told a Financial Post writer about a year ago when asked (in a not-to-be-named interview) his opinion as to the hope of making a passable settlement after this war.

That shows a tough realism, a practical down-to-earth approach which we find encouraging. It has none of the utopianism about the perfectability of human nature and the "common sense" of mankind by which fancies our minds and senses were inebriated a quarter century ago.

There's far too much pessimism around about what may or may not be accomplished at San Francisco. True, our profound thankfulness at victory in Europe is, as it well should be, accompanied by gravest concern about what kind of a world can be rebuilt out of this bleeding, shuddering shambles.

In all likelihood, the conference will produce much that is maddening, repulsive, terrifying to us common people.

Here's a paragraph some conference reporters will surely be able to use. "When one sees the ugly forces that exist in the various nations, the greedy, half-acknowledged territorial ambitions, the desire to reap commercial benefit from the war, the secret hostility among the victorious nations, one dreads the future, and wonders if peace can be had without the Allies flying at one another's throats."

That was written in 1919 by one of the inside observers at the time of the Paris Peace Conference. The author was Ray Stannard Baker. Other 1919 phrases in his fine autobiography, "American Chronicle," will also be used for the 'Frisco observers. "The Polish question came up for endless discussion," "While men talk the world is falling apart," "In pressing what they believe to be their own immediate interests, they lose sight entirely of the fact that they are surely sowing seeds of future wars," "Sharp criticism everywhere," "Unlimited greedy bargaining continues unabated."

Human nature is just the same as 26 or 126 years ago, but here are a few reasons why we don't ride with the pessimists.

Stark universal fear of the consequences of failure at San Francisco is a powerful compulsion to some achievement. The last time the Allies thought the enemy was licked—for good. This time there are few illusions about the nature of man and his potentialities.

Last time it was hopefully argued that war was becoming too horrible. This time peace conference delegates and many common people know that what was then a theory has become a physical, horrible fact. Rocket bomb development is on the verge of being able to offer the warmakers an installation at, let us say, Berlin, which, when a button was pressed, would in a few minutes level the whole city of Montreal.

Somebody one of these days is certain to let out a great bleat about "power politics" at 'Frisco. Let those who believe in peace, international order and the rule of law take heart that the nations with power to give us those things want to do so. Surely by now we have learned we can only have peace by power. The dream of peace by wishing is past.

Unpleasant Truth on Meat

The latest mud-puddle through which some U. S. quarters have been pulling Canada's good name is the meat problem.

Particularly important, therefore, is the graphic two-page presentation in the authoritative United States News setting forth the facts of the case.

Two conclusions the United States News draws about the differences in the U. S. and Canadian meat supply situation:

1. The Canadian distribution and control system works better than the U. S.

2. U. S. black-marketing, "the muddle in meat rationing" and maldistribution are the causes of the American's meat troubles.

Here are some figures the United States News shows in type half an inch tall to help get this story straight.

In the U. S. the average consumer will have about 130 lb. of meat this year, only 4 lb. less than 1939, but 17 lb. less than 1944.

In Canada, the average consumer will have 132 lb. this year, 1 lb. less than in 1939 and 9 lb. less than in 1944.

On all foods, the Americans this year will average 1,271 lb. each against 1,230 in 1939.

On all foods, Canadian this year will average 1,099 lb. compared with 1,035 in 1939. (Main difference with U. S. is our lower consumption of fruits and vegetables.)

"Stricter controls" in Canada, says the United States News, "give each consumer his fair share of what is available even in cities."

Thanks, U. S. News! Okay, WPTB, take a bow!

Capsule Comment

"To read most of the postwar plans for a better world you would think they were written by Santa Claus. This war is being fought for freedom from political oppression—not freedom from work."—Byrne Hope Sanders, editor, Chatelaine, on loan since 1941 to WPTB as director, consumer branch.

• • •

"A fifth should be added to the four freedoms—freedom from Ottawa"—to paraphrase an Australian determined, with peace, to win back his freedoms from his own capital.

Canada May Boost Meat To Britain and Europe

Will Seek Labor, Tinplate to Put Canning Plants on Double Shift — Return to Rationing Unlikely Before June 11 Election

OTTAWA (Staff)—Canada may step up meat shipments to Britain and Europe, but reimposition of meat rationing is now deemed highly improbable prior to election date—June 11.

(Mr. Gardiner's reported press statement in Ottawa this week that meat rationing is "up to Chairman Donald Gordon of the WPTB," has not helped matters. Reimposition of meat rationing is a political decision which rests, now as in the past, at the highest cabinet level. No matter what Mr. Gordon's advice to his ministers may be, nothing will be done while Mr. King is away or, indeed, prior to the general election.)

Now that the important Washington conference on foods has concluded, individual ministers and experts are back in their own capitals to decide national policies in light of the facts discussed by top-level authorities of Britain, United States and Canada. Pending these individual decisions, one fact seems to emerge, namely the inability of American authorities to reach agreement on a common policy for that country. This clash of view is not on account of Roosevelt's death. In fact the presidential emergency had, if anything, a tendency to pull the Americans together rather than the reverse.

In any event, it is now almost certain that the United States will continue in the third quarter, the drastic cutback of lend-lease shipments which was announced originally for the second quarter. Fourth-quarter prospects, which coincide with a period of high marketings of livestock in the United States, are considerably better.

The most immediately urgent meat shortage, it now appears, is in canned meat. This is what is needed by armies on the move and in the Pacific and by large parts of Europe not easily reached from port. Although Canadian production facilities are now at peak capacity on a single shift basis, it is expected an effort will be made to obtain sufficient labor and tinplate to put these facilities onto double shift, thus greatly increasing Canadian output of this urgently required food.

When he arrived at the conference after dissolution of Parliament, Canada's Minister of Agriculture, James Gardiner, is reported as having made an excellent impression in presenting Canada's case. He explained with clarity and conviction the technical problems which a country like Canada faces in handling meat distribution and in any system of rationing. He did not overlook either, the political problems involved in any reimposition of meat rationing at the present time. He gave an optimistic report of the expected Canadian supply situation for the balance of the year and gave assurance that every pound of surplus meat that Canada could obtain would be made available. He also cast doubt on the extent to which meat rationing in Canada would produce very much greater supplies for overseas than were now being obtained.

In addition to meat, the Washington conference delved into a number of other important areas where food is currently in short supply. These are: sugar, fats and oils, rice and some dairy products. In most of these areas, the conference was able to agree on main principles that should be followed in obtaining maximum supplies—even though in some cases it appeared that substantial inroads into the demands from liberated areas would have to be made because of over-all shortage of presently available supplies.

Tax Regulation Re Allowances To Be Clarified

Statement Last Week Was in Hasty Response to Public Questioning

OTTAWA (Staff)—Announcement last week of a scale of credits and benefits to income taxpayers receiving family allowances is a purely temporary statement.

What had been intended had been to leave this question in abeyance until the next session of Parliament. At that time it was expected that the whole income tax structure would be overhauled and cognizance taken of the fact that tax returns due in April, 1946, would cover a six-month payment of family allowance benefits.

But newspaper writers and taxpayers got curious about what was going to happen. So a number of typical situations were worked out to give effect to the general principle that all taxpayers are entitled to payment either of family allowances or a dependent's rebate on their income tax—whichever of the two was higher.

The storm of newspaper controversy which has arisen over this matter is taken as giving further point to the need for a complete overhaul and simplification of income tax returns. Whether this will be achieved by the time an amendment must be introduced into the income tax law at the next session of Parliament remains to be seen.

U. S. Tire Output To Be Stepped Up –No Change Here

OTTAWA (Staff) — Announcement from Washington that production schedules for civilian passenger car tires will be "increased" during the second quarter, means no corresponding relief for Canadian civilians, The Financial Post is informed.

The Washington figures now state that instead of 3.2 million passenger tires in the second quarter of 1945 (beginning April 1), U. S. plants may produce 5.2 millions. Though this appears a very substantial increase, it is in reality a cancelling out of earlier and overpessimistic figures. The present estimate of 5.2 million tires for the second quarter is still far short of the original announced projection for 1945, namely 7.5 million tires per quarter for civilians.

In Canada no such alarmist forecasting as the low U. S. estimate of 3.2 million tires was indulged in. Canadian production has been at an even pace consistent with the greatly increased demand for war equipmen which came at the first of the year. Having blown neither hot nor cold, our production will continue, presumably, until V-E Day at about current levels—with no additional relief at present in sight for civilian users.

Shawinigan Net Holding Steady

MONTREAL (Staff) — Despite reduced power rates, Shawinigan Water & Power Co. earnings for the first quarter of this year, after all charges including provision for income and excess profits taxes, showed a slight improvement over the first three months of 1944, amounting on a per share basis to 27c. a share, same as year before.

Gross revenues at $5,419,532 showed a decline of $891,928 from the 1944 quarter, but this was offset in part by a reduction of $398,082 in operating expenses representing largely lower expenditure for power purchased. Fixed charges were $31,465 lower, provision for depreciation unchanged at $750,000, and provision for income and excess profits taxes reduced to $593,626 from $1,058,293 last year. Net income after these deductions totalled $579,613 against $577,326 in 1944 quarter, and surplus after dividends $100,398 against $98,111.

China Bank Sends Liaison Man To Foster Trade With Canada

OTTAWA (Staff)—Canadian exporters and importers have found a new helper in Pinfang Hsia (pronounced sha), the Bank of China's first representative in Canada. Mr. Hsia will have his headquarters in Ottawa. He is a graduate of Harvard School of Business Administration and has been an officer of the bank for 15 years. From Sept., 1939, to June, 1944, Mr. Hsia was joint manager of the bank's agency in New York.

Aim of the new connection will be to maintain contacts with various government departments at Ottawa; to co-operate with Canadian banks and others in this country to assist Canadian and Chinese merchants in developing markets for their products. Says Mr. Hsia:

"The postwar years hold great possibilities for the expansion of trade between Canada and China. This is bound to enhance friendly relations between the two countries. There are more than 30,000 Chinese residents in Canada engaged in various forms of essential economic activity. Wartime co-operation between Canada and China has been well demonstrated.

"With the continuance of the same spirit of mutual consideration and partnership in the coming era of peace, the interchange of goods and services between the two countries will assume much larger proportions."

World Trade, Not Security Seen Real Issue for Frisco

Sugar Outlook Is Even Worse Than Forecast

Further Cut for Industrial Users Looks Sure, Public Too May Get Less

OTTAWA (Staff)—The word that comes here from the Washington food conferences of last week is that the over-all United Nations outlook for sugar is even worse than had been anticipated.

It may be some days before the new "Washington formula" can be worked out in terms of Canadian distribution. What now seems certain is that the new Canadian allocation will result in a further reduction for industrial users. It may also require a further cutback in supplies for civilian consumers.

What apparently happened at Washington was an overdue realization on the part of U. S. authorities as to the seriousness and imperious nature of the present sugar shortage. Canadian and British members of the sugar "pool" have for some time been chafing under the earlier unwillingness of U. S. authorities to be completely realistic about sugar. Now, "there has been an acceptance of our view and a getting back to commonsense'"

Asia Output Uncertain

How long the period of acute shortage may last will depend on ability to get the Philippines and Java back in production for 1946 consumption. The Philippines is normally good for something short of one million tons and U. S. authorities are hopeful of getting this area back into the supply picture by next year. Java sugar which is good for two million tons or better, annually, is more problematical as a 1946 source of supply for United Nations use.

Meanwhile, the over-all demand from Europe may be alleviated to some degree if there is any important willingness or ability to plant any considerable acreage of sugar beets this spring. At present there are conflicting reports as to what is being done there. What is feared is that the people in many areas lack confidence to plant and work for big "cash" crops like sugar beets. Instead there is reported a tendency to plant and maintain only those crops needed to sustain private needs.

Australia Urges Stronger Economic Board, Improvements in Methods of Revising Agreements, More Weight for "Middle Powers"

By BLAIR FRASER
Ottawa Editor, Maclean's Magazine

As eyewitness for Financial Post readers at the crucial San Francisco conference, Mr. Fraser will give weekly reports of the progress achieved.

SAN FRANCISCO—Public attention is focused on the security council and on security questions generally, as the United Nations conference on international organization starts its deliberations here. But in the opinion of many of the delegates taking part, the really important part of the work they are undertaking lies in the economic field.

Dr. H. V. Evatt, Australia's minister of external affairs, who heads his country's delegation, has been the most outspoken on this and indeed on most questions related to the conference. Dr. Evatt, whose aversion to pulling his punches has made him very popular with American reporters, gave a press conference within a few minutes of his arrival in San Francisco, at which he proclaimed that one of three essential changes in the Dumbarton Oaks charter would be an increase in the status of the economic and social council.

"This council is now," he said, "a shadowy and vague concept without effective power," and he was very positive in the belief that this isn't good enough. Australia, he said, had always been of opinion that peace meant more than the mere absence of war. Something positive was needed to remove the causes of war, and he looked to a strengthened economic and social council as a possible means or channel for such positive action.

"We recognize the great job that the international labor organization has done in the field of labor relations," he said, "and we think the economic and social council could and should do the same kind of job in the whole field of economic relations."

Canada's delegates fully agree with the spirit of Dr. Evatt's proposal on this score, but they would differ from him somewhat in detail. As the Canadians see it, the economic field is indeed vital and of greater importance than the so-called security field. But the Canadians look not so much to the economic and social council as to the whole united nations organization, to promote beneficient action in this sphere.

But Who Would Lead It?

In the Canadian view—or at least, in the view of some Canadian delegates and advisers—it won't be feasible to make the 18-member economic and social council a particularly dynamic body. Economic matters are technical matters and it would be impossible to recruit from any nation a single man who would be an expert in all aspects of economic and social activity, and unless the man in question is an expert, he won't cut much ice.

Canadian spokesmen feel, however, that the united nations organization can play a vital role as a co-ordinator and clearing house for the activities of a variety of expert bodies in the economic field. The international bank and stabilization fund of the Bretton Woods agreement, the civil aviation authority, the united nations maritime authority, the food an-l agriculture administration—each of these will be the organ for international action and consultation in its particular line. The economic and social council, and indeed the assembly itself, could be of great value in giving all the activities a common focus and direction.

There's nothing to indicate any difference of opinion in any nation on the general idea of building up the organization's importance in the economic field. So far, as the conference begins its deliberations, the number of foreseeable points of difference is fairly small.

Heading the list of wrangling

(Continued on page 2, col. 3)

Inside News

Contract Termination is becoming most active branch of M & S says W. F. Williams, p. 25, in presenting detailed blueprint for contractors whose war job is finished. Chief difficulty in termination is proper disposal of leftover inventories.

Playing Hooky or prematurely at work are about a quarter million Canadian youngsters between 9 and 17. To bring them to school we need more practical studies, universal application of highest standards for courses and teachers, part-time studies for seniors, more rigid law enforcement, according to education and welfare authorities in a Financial Post symposium. (p. 12.)

Something New in Washington is a Taft-led trek of Republican senators to the White House to assure President Truman they're ready to consult with him on legislative issues. Washington Letter. (p. 3.)

To Buy a Drink on PEI you'll still have to be sick enough to win a doctor's prescription. A hard-fought bill to liberalize the provincial prohibition act has been vetoed by the lieutenant-governor. (p. 3).

No British Election until fall is likelihood reported by Adelphi (p. 26). For a while, after Ernest Bevin's blast at the Tories shook the coalition, a June election seemed probable. But Churchill's imperturbability in the House has had a settling effect.

Ship Repair was almost the sole activity in Canadian steel shipbuilding before the war, promises to provide an important part of postwar work for Canada's shipyards, says C. J. Daniels, editor of Canadian Shipping (p. 17). With improved facilities, geographical advantages, and ability to cut time out for repairs to compete with U. S. speed, Canadian operators will enter the postwar era in a better position than ever before. (p. 17).

P.E.I. Potatoes and canning crops need better planning. Potatoes should be planted according to orders booked in advance so as to stabilize prices and maintain soil by crop rotation. Small fruits and vegetables can be made an important Island crop, support a canning industry. These are salient findings of an economic study of the gulf province by Dr. J. E. Lattimer of Macdonald College. (p. 13).

Ship Control after V-E will be in the hands of the new United Nations shipping authority, which will route and direct the 75-80 million gross tons of merchant shipping available to supply Europe and the Pacific front, and return Canadians from the continent. Canada has special interest in this body, which operates until six months after the end of the Japanese war. (p. 17).

Forest Cutting in B. C. has denuded probably not more than 400,000 acres rather than the million acres estimated earlier, the Sloan Forestry Commission is told. West coast replanting estimates of $500,000 may be scaled down substantially. (p. 3).

Shipbuilders are putting new faith in a new 7,500-ton cargo vessel now being developed to suit our yards and skills and the needs of the trade routes of the world. (p. 17).

Industrial Power will be tremendously concentrated after the war—with United States possessing more than half the world's total industrial capacity—now that allied bombers are writing off Germany and Japan as industrial powers for years to come. Washington Letter. (p. 3.)

Beatty Bros. Pref. To Be Redeemed?

Beatty Bros. Ltd. is considering the redemption of the 5,612 shares of $100 par value 7% second preferred stock outstanding, The Financial Post understands, although the move has not been officially confirmed. The 7% preferred is callable at $110 a share and accumulated dividends on 60 days' notice.

Partly on the strength of this report, Beatty Bros. class "A" stock sold at a new 1944-45 high of $39 a share this week.

Wheat Pools, Biggest Co-ops in Canada, Under Fire in Semi-finals of Tax Probe

By GORDON L. SMITH

OTTAWA—With the preliminaries finally out of the way, the main bout opened before the McDougall co-operative tax probe at Ottawa this week, when the first of the big wheat pools entered the ring. Lined up in a solid front were the untaxed major grain co-operatives of the three Prairie Provinces, commonly known as the pools, and opposing them were the privately owned grain trade companies and the National Millers Association. Somewhat to one side was the United Grain Growers Co., of co-operative origin, but a competitor of the more recent pools, and opposed to any special tax privileges for co-operatives or any other group.

Both sides apparently are content to rest their case on factual briefs and cross-examination. On this voluminous evidence—well over 9,000 typewritten pages already—in the next two or three months of private deliberation, the five-man commission must make up its collective mind whether co-operatives and groups which call themselves co-operatives should be taxed and, if so, how.

Unlike many of the smaller co-operatives which have claimed that they do not need the exemption clause (4p) in the Income Tax Act, because they have no income or profit, the Saskatchewan Wheat Pool frankly admitted that it did, and intimated very plainly that it was upon this exemption that much of its recent rapid growth has been based. At the same time this organization, which last year changed its official title to Saskatchewan Co-operative Producers Ltd., in keeping with its wider activities and ambitions, maintained that it was a real co-operative and therefore had no profit, or no profits to speak of.

Co-op or Joint Stock Co.?

Counsel for the private grain companies and for the commission, however, as well as several members of the commission, appeared to have some doubt on that score. The Saskatchewan pool brief and the cross-examination following revealed a setup and operations strikingly similar to that of the ordinary large joint stock company.

The witness for the Saskatchewan pool, John H. Wesson, president since 1937 and a director from the start, stated frankly that his company bought and sold wheat in the ordinary way, not merely acted as a simple agent. He admitted, too, that it was impossible under normal marketing to keep individual members' wheat separated as would have to be done in a real co-operative, and that in the period after 1931, when the pools, faced with a $12 millions loss they abandoned compulsory pooling. In some years five-sixths of the grain handled was bought outright by the pool and sold for profit in exactly the same way as a private company would buy and sell.

Under such circumstances, he was asked, what justification was there for not paying taxes, especially in the years since the war when the Saskatchewan and the other pools and co-operatives have been enjoying record prosperity? The reply was that as a co-operative "we are not subject to the taxation —yet." At this point Chairman McDougall drily observed, "You derive some comfort from section 4p," and the response was "Yes, we do."

Growth of a Pool

In its brief the Saskatchewan Wheat Pool traced its development from the time back in 1923 when Aaron Sapiro, American co-operative spellbinder, "struck the match which lit the fire," to the biggest single handler of grain, certainly in the British Empire and quite likely in the whole world. It reports over 100,000 members and last year handled practically 25% of all the grain delivered in western Canada and 42.6% of all Saskatchewan grain.

Through joint stock subsidiaries, share controlled, it owns and operates 1,100 country elevators, three terminal elevators, a printing plant, a weekly newspaper, a construction company, its own insurance company and the Saskatchewan Co-operative Livestock Producers' Ltd. At only 79 points in the whole of agricultural Saskatchewan are there no pool elevators.

In 1943 this giant organization, which maintains it is a co-operative and entitled to tax exemption, reported "surplus earnings" of $5,877,000, which in the words of Mr. Wesson before the Commission this week "was too big; we were ashamed of it." That was the reason he gave for the slash in grain-handling charges last fall, a slash which upset the whole grain trade and threatened privately owned and heavily taxed competitors with bankruptcy.

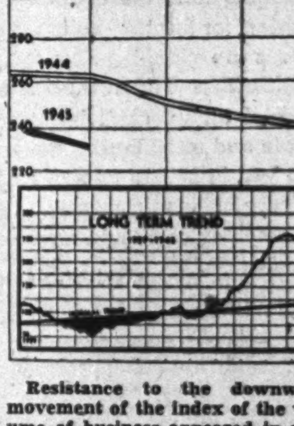
Eliminate Competition?

Counsel for the grain trade suggested another reason and quoted from a radio speech by Mr. Wesson in which he intimated that if the co-operatives were not left alone they might be forced to cut prices to the point where there would be no profit for them or their competitors and then "private enterprise will have no profits for the Government to tax."

That point was further developed in the brief submitted by the National Millers Association which maintained: "Co-operatives, who conduct operations in an exactly analogous fashion with joint stock companies, have been enjoying benefits and advantages over ordinary business to such an extent that the ultimate extinction by the co-operatives of all ordinary businesses, which have been subjected to increasingly heavier taxation, could not have been made more certain and inevitable if that had been the set purpose and intent of Section 4p."

The Millers Association asked that all exemptions in the Income Tax be eliminated and co-operatives placed on exactly the same footing as their privately owned competitors.

Pace of Business



Resistance to the downward movement of the index of the volume of business appeared in several quarters in March. Though the index dropped again (to 232.5 from 236.0) there were gains in operations of the meat packing industry, in cattle and hog slaughterings, in the boot and shoe industry, considerable improvement in the dairy industry.

Most important of all, in its effect on the economy, new business obtained by the construction industry was considerably greater than in either January or February, even after seasonal adjustments.

DRESSED FOR IT . . .

Knee deep in your favourite trout stream is no place to be bothered with uncomfortable clothes. Comfortable, functional clothing is as much a part of pleasant fishing as sturdy, dependable tackle. The fisherman illustrated above has the right idea . . . lightweight, shower resistant, large pocketed jacket, coupled with a shower resistant hat.

Eaton stores across Canada have an interesting selection of jackets and hats, suitable for either fishing or general outdoor wear.

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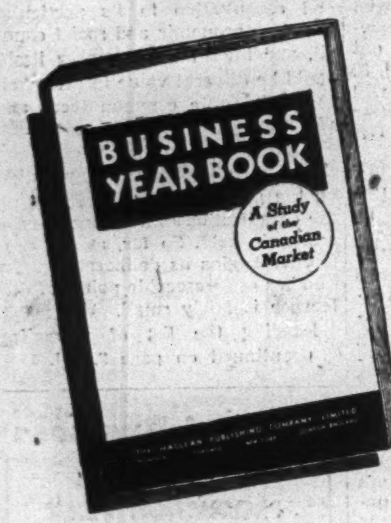
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A. Ashton, elected a director of Canadian Oil Cos. He is president of Canadian Wallpaper Manufacturers Ltd.

Big Wheat Pool Escapes Interest As Well As Taxes

Double-barrelled Advantage of Gigantic Co-operative is Revealed at Hearings of McDougall Probe on Taxation

(By GORDON L. SMITH)

OTTAWA—How the Saskatchewan Wheat Pool has benefitted as an interest-free enterprise inasmuch as it has not paid its member farmers interest on bushelage deductions, was brought out this week at sessions of the McDougall Commission. This feature has been in the background of discussions during past weeks and points up the double-barreled advantage the pool has over private competitors since the pool operates tax and interest free while private grain companies must pay interest on investment, dividends to shareholders, and income tax as well.

It was revealed that Pool indebtedness as a result of one and two cents per bushel deductions on farmers' grain handled since 1924, and especially in the period 1924-29 amounted to $18 millions. Certificates covering this amount were issued and originally it was expected that rates of 5% and 6% interest would be paid.

Since the start of its war profits, agitation has steadily grown for some repayment. So far only special cases, such as those of estates and old retiring farmers, have been given much consideration. Recently the Pool started paying 50 cents on the dollar of principal of the certificates, gradually raised it to 75 and last fall upped it 100 cents. Unpaid interest from 1930 to date on these certificates however, was estimated before the commission at $12,240,000. In the same period the Pool has paid out $4,547,000 in cash patronage dividends though it has credited but not paid, about twice that amount. On the original share capital, deductions, and the present credited but unpaid patronage dividends, is based the current working capital of the Saskatchewan Wheat Pool, of approximately $18 millions.

Loan Goals Set By Provinces

OTTAWA (Staff) — Provincial goals for individual subscriptions to the 8th Victory Loan show that 43.5% is expected to come from citizens of Ontario. No breakdown of provincial objectives has been available heretofore, since not all of the provinces (prior to this loan) have published their loan objective.

Individual subscriptions refer to the very important $675 millions of the loan objective—that is, the money which is to come from other than corporation or institutional investors.

Comparative figures for individual provinces with the new objectives compared to actual subscriptions from individuals in the 7th loan follow:

PROVINCIAL VICTORY LOAN GOALS
(Individual Subscriptions)

	8th Loan Goal ($ millions)	% of Total	7th Loan Subscriptions ($ millions)
B. C. ...	59.5	8.8	68.2
Alta.	35.9	5.3	41.3
Sask.	38.7	5.8	43.9
Man.	36.9	5.5	41.9
Ont.	293.7	43.5	331.5
P. Q. ...	143.9	21.3	163.8
N. B.	17.0	2.5	19.7
N. S.	29.7	4.4	35.4
P. E. I. ..	2.7	.4	3.3
Overseas	17.0	2.5	17.5
	675	100.0	766.4

These figures show that the new objectives are in line with the actual proportion of loan subscriptions obtained in the 7th loan.

Apart from Ontario, Quebec is being asked to subscribe 21.3% of the total. The three Maritime Provinces together have a goal of 7.3%; the three Prairie Provinces a goal of 16.5% and British Columbia 8.8%.

In addition, 17 millions is included as the estimated amount of subscriptions from Canadian troops overseas. Actual collections from overseas in the last loan were $17.5 millions.

Slash in Imports of Rosin Hits Paint and Soap Makers

A recently announced cut in the amount of rosin imports into Canada threatens to curtail production in at least two fields—soap and paint. Insecticides and allied products continue to get 100% of 1944's usage.

The WPTB cut, made in line with a similar order recently announced from Washington, sets the rosin quota for the second quarter for paint, varnish and lacquer manufacturers at 30% of the corresponding quarter of 1944, and the quota for soap manufacturers at 25%. In the case of essential military production, however, manufacturers may apply to WPTB for additional supplies.

"Rosin is only used when we are hard-pressed for fats and we are getting almost all the fats we need," a leading soap manufacturer informs The Financial Post. Canadian soapers are currently receiving 100% of their 1941 fat supply. Cheaper washing soaps will be hardest hit by the new order, it is understood, and some curtailment in this field is likely.

May Hit Paint Harder

"It will likely cause some curtailment in the 1945 paint output," a paint manufacturer stated when asked about the effect on his business. "Unless, of course, the war ends soon and the ban is lifted. We'll have to find substitutes to use in our civilian production; our chemists are working on them now—and will likely find them." Synthetic rosins are also in very tight supply, The Financial Post understands. Although production of paint and allied products for military needs is on the decline approximately 50% of some companies' output is still earmarked for the armed forces.

In 1943 Canada imported approximately 386,168 cwt. of rosin from the southern United States at a cost of $1,526,382. This commercial rosin is a product of the southern pine and is procured by tapping the tree. Current U.S. shortages are caused by labor scarcity and by producers holding back this season's production of gum rosin from the market in anticipation of a higher uniform price ceiling. An advance of at least one cent a pound is being demanded.

World Trade Security Seen Real Frisco Issue

(Continued from page 1)

points, perhaps, is the question of amending the united nations charter. All the British nations and the United States feel that there ought to be some flexible and practical method of amending the charter. But the Dumbarton Oaks scheme provides for its amendment only with the unanimous consent of all the great powers. In other words, any proposed amendment could be vetoed by any of the big five.

Russia is expected to come out strongly in favor of the present rigid procedure. The Russians are very much afraid of losing, or even modifying, the great powers' right of veto. They argue that if the chartre can be amended in defiance of a veto, then the veto itself might be abolished by means of such amendment. So the question of amendment procedure, which is another of the three points Australia regards as "vital," is likely to bring forth some pretty acrimonious argument.

Power for the Middle Group

Third of the Australian points, in which Canada also is vitally interested, is a change in the personnel of the security council. Australia, like ourselves, is one of the so-called "middle powers," and Dr. Evatt thinks the nonpermanent members of the security council ought to be made up entirely from this fairly small group of nations.

Dr. Evatt's criterion would not be size, but the will to fight for world security. And he would judge each nation's will by its post record, notably in the present war. The security council, he thinks, ought to be composed exclusively of what he calls "security powers"—i.e. powers "able and ready and willing to give practical assistance to the cause of world security. Some like New Zealand would be indubitably small powers. Others, large in size and potential resources, might be excluded by their records of the past.

"We think," he said, "that powers which in the assembly's opinion won't do much for the cause of security, have no place on the security council at all."

Again, Canada is in agreement with the spirit of the Australian view, though our delegates don't go as far. We'd be content with the suggestion advanced already by the French, that half the council's six non-permanent members should be chosen from among "those states which will have undertaken, and which will have the means, to participate in an appreciable degree in the active defense of international order."

On this and on most important questions, members of the British Commonwealth hold pretty similar views. But not on all questions. Some differences were revealed when the commonwealth countries compared notes at London, and the most important of these is the matter of prior commitments.

Some of the commonwealth, and notably Australia, want no qualification of the Dumbarton Oaks Obligation upon every member of the United Nations to take any action for the furtherance of world security, at the call of the security council. Others inclined to favor the Canadian view, that we should have a constitutional guarantee that no nation would ever have to take drastic action without being consulted.

But it ought to be emphasized that all commonwealth nations certainly, and all the United Nations probably, are bound by an underlying unity which will transcend all differences of detail. That unity is the common desire for peace, and for a world organization to preserve peace. So far, there is no reason to think that any disagreement on method will be permitted by any nation, to frustrate that over-riding common aim.

PURITY FLOUR MILLS LIMITED

DIVIDEND NOTICE

Notice is hereby given that the regular quarterly dividend of sixty-two and one-half cents (62½c) per share, on the Cumulative Redeemable Preference shares of the par value of $40 each, will be paid on the 1st day of May, 1945, to shareholders of record at the close of business on the 2nd day of April, 1945.

This dividend covers the period from 1st February, 1945, to 30th April, 1945.

By Order of the Board,
A. H. DENOON,
Secretary.

Toronto, Ontario.
23rd April, 1945.

Look For It Here

April 28, 1945

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Red Rock Mill To Make Board

MONTREAL (Staff)—Brompton Pulp & Paper Co., subsidiary of St. Lawrence Corp., will make kraft board at the Red Rock Mill, now under construction, it was revealed at the annual meeting of the parent company.

It is expected that the mill will be ready to start operations during the latter part of the year, it was stated.

A $3.5 million five-year 3½% loan has been arranged with the banks to cover the remaining costs of construction of the mill. The loan was arranged on secured term notes, with $4 millions of first mortgage bonds as collateral security.

Bralorne Mines advises that 30,707 tons of ore were milled during the first three months of 1945, with 16,730 ozs. gold recovered. The manpower situation continued to be the controlling factor with respect to present scale of operations and production, it is reported. Development work was confined to the "53" vein on the 12th and 15th levels with satisfactory results.

Borden Co.'s preliminary reports on its first quarter operations indicate an 8% to 9% increase in sales and a moderate gain in profits over the corresponding period of 1944, Theodore G. Montague, president, told stockholders. The company has acquired the pharmaceutical division of W. F. Straub & Co., Chicago.

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"working with Canadians in every walk of life since 1817"

Pulp Cut Satisfactory

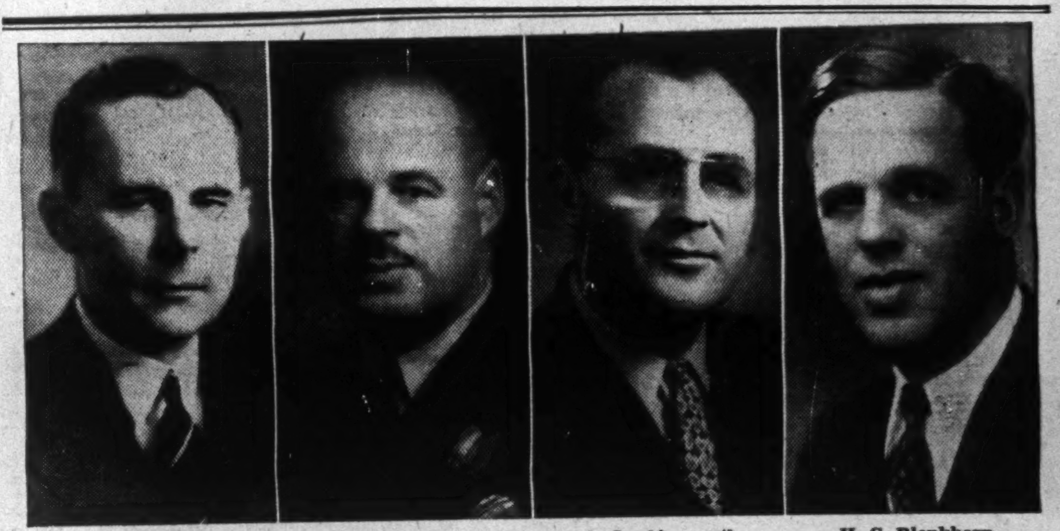
MONTREAL (Staff)—The pulpwood cut during the past year has been good, the pulpwood supply situation is now satisfactory and St. Lawrence Paper Mills Co. is in a position to produce its quota of newsprint, J. I. Rankin, president, stated at the company's annual meeting.

As regards effect of the recent increase in newsprint price, Mr. Rankin said that the higher price will be only partial compensation for increases in costs, including pulpwood, transportation etc.

Payments on account of the Hearst indebtedness have been made up to 1947, it was reported.

Capital Wire Cloth Manufacturing Co. reports net profit for 1944 of $34,734 as compared with $36,570 for 1943. The regular preferred dividend was maintained and an extra common dividend of 15c. a share was paid above the 60c. declaration in 1943. Current assets as at Dec. 31, 1944, amounted to $245,667 as against current liabilities of $7,499, and compared with current assets of $261,437 and current liabilities of $22,331 as at Dec. 31, 1943. It is difficult to make any predictions as to business for the coming year owing to conditions existing in the paper industry, T. L. Dunbar, president, states.

BUY AND HOLD VICTORY BONDS

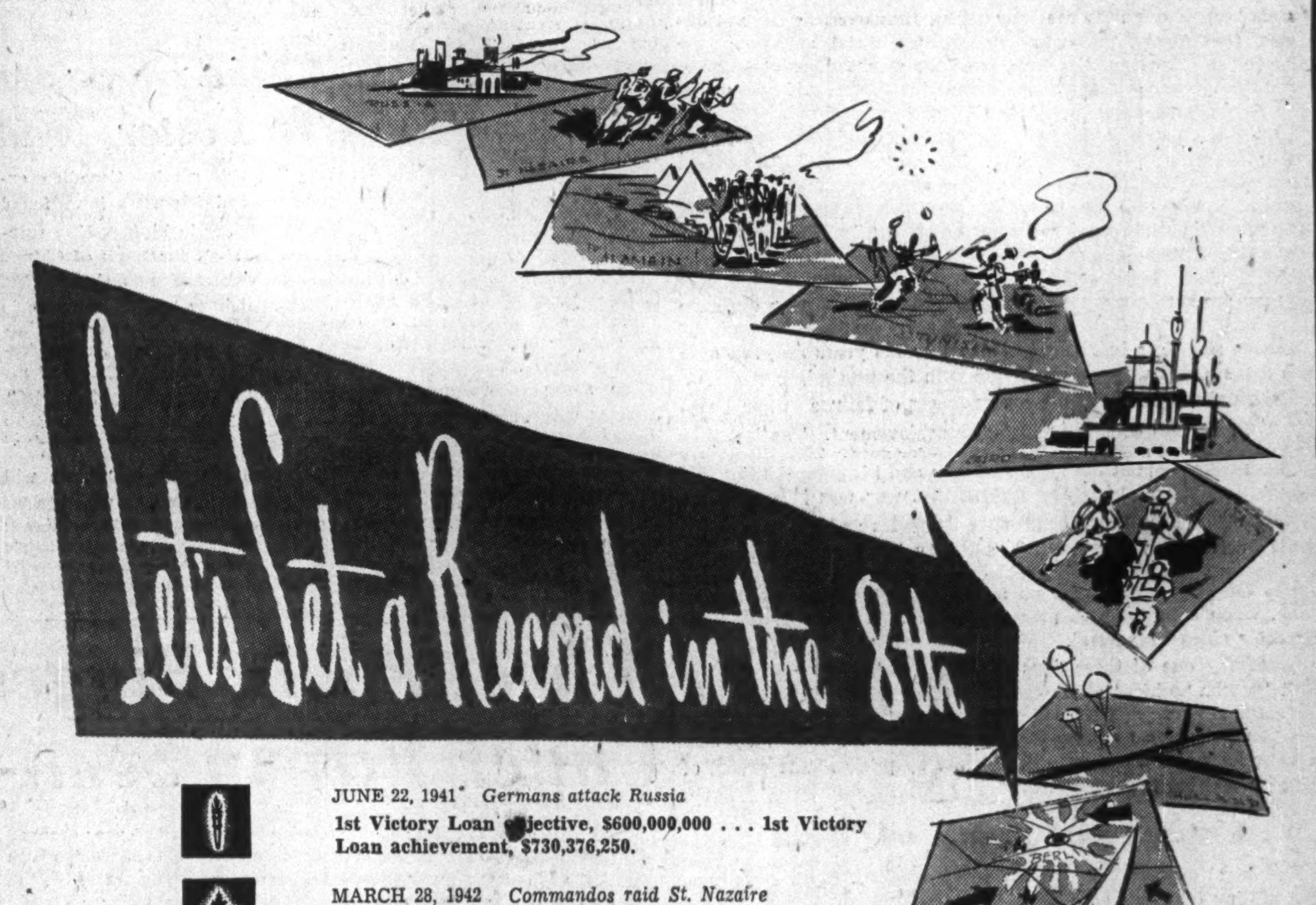


Hon. G. Peter Campbell, K.C. **Maj. James E. Hahn, D.S.O.** **A. L. Ainsworth** **H. C. Blenkhorn**

Following the Annual Meeting of shareholders of English Electric Company Limited at the Head Office of the Company, St. Catharines, Ontario, April 20th. A. S. Tait, President, announces the following appointments to the Board of Directors:

Hon. G. Peter Campbell, K.C., Toronto, Senator and Director of several companies. Major James E. Hahn, D.S.O., M.C., President, John Inglis Co. Limited, Toronto. A. L. Ainsworth, Vice-President and General Manager, John Inglis Company Limited. H. C. Blenkhorn, General Manager of the Company, now also becomes Vice-President.

New appointments within the Company are F. C. Douglas, Treasurer, who becomes Secretary Treasurer, and S. G. Cruttenden, Assistant Treasurer, who becomes Comptroller.


Let's Set a Record in the 8th
BERLIN

JUNE 22, 1941 *Germans attack Russia*
1st Victory Loan objective, $600,000,000 . . . 1st Victory Loan achievement, $730,376,250.

MARCH 28, 1942 *Commandos raid St. Nazaire*
2nd Victory Loan objective, $600,000,000 . . . 2nd Victory Loan achievement, $843,127,900.

OCTOBER 24, 1942 *British start the Alamein push.*
3rd Victory Loan objective, $750,000,000 . . . 3rd Victory Loan achievement, $991,389,050.

APRIL 7, 1943 *U. S. Troops and 8th Army join forces in Tunisia*
4th Victory Loan objective, $1,100,000,000 . . . 4th Victory Loan achievement, $1,308,716,650.

NOVEMBER 22, 1943 *Tri-power Cairo Conference opens*
5th Victory Loan objective, $1,200,000,000 . . . 5th Victory Loan achievement, $1,374,992,250.

MAY 11, 1944 *Allies open Italy offensive*
6th Victory Loan objective, $1,200,000,000 . . . 6th Victory Loan achievement, $1,405,013,350.

SEPTEMBER 17, 1944 *Allies invade Holland by air*
7th Victory Loan objective, $1,300,000,000 . . . 7th Victory Loan achievement, $1,517,642,700.

APRIL 23, 1945 *Allies in Berlin*
8th Victory Loan Objective, $1,350,000,000
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THE WASHINGTON LETTER

Even Republicans Befriend Truman As "Honeymoon" Enters 2nd Week

Special Correspondence

WASHINGTON—Something new in Washington since the death of President Roosevelt have been the calls at the White House of Republican leaders offering the new President their best wishes and, to some extent, support. A group of eight senators led by Senator Robert A. Taft offered President Truman a plan by which they would consult on difficulties in the way of legislation. Realizing that the Truman regime is in the honeymoon stage, Washington observers were cautious in assessing these White House calls as much more than political protocol. But Senator Taft had never been to the White House while Roosevelt was alive, and some observers believed a new era of less bitterness and more co-operation in Washington might develop.

Hearings started on the bill to renew the Reciprocal Trade Agreements Act, in which fresh powers will be conferred on the President to make trade agreements with foreign countries without the procedure of treaty ratification by the Senate. This bill is the most important test now in sight for the Democrat party under Truman's leadership.

The first reciprocal trade bill in 1934 had House support from only two Republicans. In 1937, three Republicans voted for it in the House, and in 1940, only five Republicans. But in 1943, a majority of Republicans in the House supported reciprocal trade and the party will have to take a position this year. At first meetings of the House Ways and Means Committee, studying the reciprocal trade bill, the only criticism came from Republicans.

U. S. Natural Resources Begin to Dwindle

These arguments against new reciprocal trade agreements, coming at this stage only from a minority which plainly will be powerless to defeat the measure, follow familiar lines. Why, asked Republican Congressman Gearhart from California, should the United States sell machine tools to other countries so they can compete with the United States? He complained that "every other country is going to try to sell us everything they can dig up." Top government advisers have answers for these arguments. In the first place, if United States does not sell machine tools to countries which are creating their own industrial capacity, then other manufacturers of machine tools certainly will. On the second point, the answer is that the United States is already short of some essential materials and will increasingly exhaust its own resources, so that only by importing raw materials on a steadily rising scale can it maintain its industrial activity. The truth of this has scarcely struck home with the American public yet, despite alarmist stories in recent years of the risk of exhausting natural resources. One top economic authority of Washington said the other day: "We are not so rich in natural resources as we have always thought we were, and we will have to import." This source estimated that United States has only 25 years' supply of copper, about 10 years' supply of high-grade iron, that its bauxite deposits will not last any time, and it is already short of zinc, tungsten, mica and tin. The United States in future will have to stockpile a number of essential raw materials through orderly imports, and this is one of the most important new features of the world situation for raw material producers of the world.

* * *

Frisco Sees New Portents For U.S. World Co-operation

On the eve of the San Francisco Conference, never had prospects seemed so bright in Washington for full American co-operation in international affairs. Elmo Roper, the public opinion expert who runs the Fortune Magazine poll, reported that Mr. Roosevelt died at the height of his popularity, indicating that the Roosevelt program had full public backing.

The Gallup Poll reported that mid-western isolationism was dead, that voters who supported Dewey last year would vote today 83% for a world organization. One less publicized detail was the fact that the American Bar Association, with 35,000 members, has swung behind the drive for American participation in the Dumbarton Oaks security plan and in the world court which will be part of it. This meant that lawyers and judges scattered through many American communities were active for joining the world court, as it will be revised at San Francisco. The American and Canadian bar associations pooled efforts in preparing proposals for a new statute for a world court, and their suggestions were mainly incorporated in the world court draft which the United States delegation took to San Francisco.

* * *

The scale of shifts in the balance of world industrial power as a result of the war is scarcely appreciated. The complete destruction of Japan's industrial regions, block by block, will be accomplished, according to the claim of U.S. airmen. The 20th Air Force, which sends B-29 super-fortresses against Japanese cities, has reported that 50% of four of the five principal cities in Japan is now in utter ruin. It is possible now to write off Japan entirely as an industrial nation for many years to come. What about Germany?

The best information has come recently from British air force sources, which re-assert faith in air power as the decisive weapon of modern war with the claim that German steel production has been reduced to nil by air bombing. Some other industries have operated with fractional capacity. The long-range destruction of German industry warrants the belief that in Europe new industries will appear in other countries rather than the restoration of industries in many German cities. Best Washington estimate of the U.S. position is that this country now possesses more than 50% of the entire industrial capacity of the world. William F. Clayton, assistant secretary of state, gave this estimate to the House Ways and Means Committee as an argument for broadening American trade with the rest of the world.

* * *

Surplus Selling Job To Dept of Commerce

One of the first executive orders signed by President Truman made Henry Wallace, secretary of Commerce, the chief salesman in the United States for surplus consumer goods left by war agencies. The order transferred to the department of commerce the surplus property office which has been operating in the procurement division of the treasury department. This was an important victory for the policy that surplus war goods shall be used to develop domestic and foreign commerce, rather than be handled mainly for salvage value. As Fred M. Vinson, director of war mobilization and reconversion, said in announcing the transfer: "The department of commerce is by law charged with the responsibility for assisting in development of both domestic and foreign commerce, and it is believed the surplus property disposal activities hitherto carried on by the treasury will complement the important business service functions of the commerce department." Secretary Wallace recently began to select small business advisers from various parts of the country, on war surplus problems. These developments, coupled with a blunt reference in Truman's address to congress, asserting his devotion to "the common man," could be totalled up to support a case that Truman's expected swing to conservatism would be slower than expected. Observers thought it was probably over-rated in any case. in initial reactions to the death of Roosevelt, when the stock market boomed in a manner unprecedented in eight years.

* * *

States Can't Tax Imports Is Supreme Court Ruling

A recent important Supreme Court decision ruled out the authority of states within the American Union to impose their own taxation upon imports from foreign countries. The case involved the State of Ohio and imports of hemp from the Philippines. Chief Justice Stone wrote: "If the States were left free to tax things imported after they are introduced into this country and before they are devoted to the use for which they are imported, the purpose of the constitutional framers would be defeated . . . An application pending before Federal Communications Commission from American Cable and Radio Corporation would substitute a straight 20-cent-per-word cable rate to all European countries for the present scale of rates, which range as high as 36 cents. . . . Answer to how high is the American tariff has been placed in the congressional record from figures prepared by the American tariff league, whose monumental study of 170 items entering into the commerce of 19 nations in 1937 showed that, if United States tariff rate average was taken as 100, the highest would be Spain with 465 and the lowest Sweden with 32.8. Canada's comparative level would be 76.3 and Britain's, 118.3. The study took 10 groups of commodities and showed that the average ad valorem U.S. tariff in each case was: farm products 95.9% (Canada 33%); fuels nil (Canada 12.2%); foods 37% (Canada 47.5%); metals and metal products 10.7% (Canada 12.7%); housefurnishings 43.3% (Canada 51%) hides and leather products 17% (Canada 11.6%); building materials 10.6% (Canada 16.2%); textile products 32.3% (Canada 39.8%); chemicals 12.1% (Canada 13.7%); and miscellaneous 34.2% (Canada 44.5%).

B.C. Forest Replanting Estimates Scaled Down

From Our Own Correspondent

VANCOUVER—B. C. forests will continue to provide raw materials for industry on the present scale of operation almost indefinitely, according to evidence presented recently to the Sloan Forestry Commission. There is general recognition that there should be more systematic management to maintain sustained yield, but natural reproduction of the forests has been encouragingly extensive and less artificial replanting may have to be done than was earlier forecast.

"I have yet to see a forest that did not restock itself after logging," Robert Filberg told the commission last week. "The only real enemy is fire. If fire is kept out, the forests will reproduce themselves and be available for commercial utilization in future years." Mr. Filberg is vice-president and general manager of the Comox Logging Co., one of the largest logging organizations on the coast and one of the most experienced operators in the province.

The area of forest land denuded in the all-important coast section of the province, it was brought out at the same session, was probably not more than 400,000 acres, as comared with the earlier estimate of one million acres. It had been previously calculated by the forest services, based on the million-acre estimate, that replanting would cost $500,000 a year for 25 years, but the revised figures indicate that the cost will be much less; that the future prospects of the forest industries are much brighter than previously supposed.

Fenestra

NEW FEATURES

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They will afford **better see-through vision** — from larger glass areas; **better ventilation** — open-out vents will form canopies over openings; open-in vents will deflect drafts upward, shed water to outside; **easy-opening** — steel ventilators never warp, swell or stick, and they swing instead of slide.

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PEI To Remain As Dry as Ever

Lt.-Governor Withholds Assent From Bill to Ease Prohibition Law

From Our Own Correspondent

CHARLOTTETOWN — A bill to amend the Prohibition Act of Prince Edward Island failed to become law this week when Lieutenant-Governor B. W. LePage withheld royal assent by refusing to sign the bill at the prorogation of the Provincial Legislature.

Under the Prohibition Act as it now stands, a person can obtain liquor only for medicinal purposes and only on the prescription of a practicing physician. Official prescriptions, or "scripts," are issued to the doctors by the Attorney-General each month, the number issued depending upon the availability of supplies. The amendment provided for the issuance of long-term scripts by the doctors under warrant of the Attorney-General, to replace the present system where a separate prescription has to be obtained for each purchase from the Government vendors. The amending bill caused one of the most heated discussions in the Legislature for some years, and resulted in the resignation of one of the Liberal members, which, however, was later withdrawn, and the bill was finally passed 20-8.

Temperance Plea Worked

Before the closing session, a delegation from the Provincial Temperance Federation waited upon the Lieutenant-Governor, whose term expires this year, and petitioned him to refuse his signature to the Bill, and it is generally believed that this is what induced him to withhold assent. This is only the third time in the Province's history that any Acts have been vetoed in this way; the other two occasions being some twenty years ago. Ordinarily this might point to a lack of confidence on the part of His Majesty in the Government, calling for an immediate election, but this is not being considered in this instance, due to the clear majority by which the bill was passed, and the lack of voting on strict party lines.

Premier Jones commented that the Lieutenant-Governor has no right to refuse assent on his own authority, his only recourse being to refer to the advice of the Governor-General, and then only if there is doubt to the constitutionality of the bill. However, other opinion points to the decision of the Supreme Court of Canada, at the time certain legislation in Alberta during the Aberhart regime was vetoed in this manner, when it was held that the Lieutenat-Governor of a province has the right to refuse assent to bills and that the Dominion still held the power to disallow Provincial Legislation.

The administration of the Prohibition Act in Prince Edward Island netted the Province about $200,000 for the 15-month period ended March 31, 1944, apart from the Public Health Tax on liquor sales. The current estimates provide for profits of only $84,000 from this source.

Saskatchewan's Coal Brief Reflects Trend To Control

From Our Own Correspondent

REGINA — The Saskatchewan Government's brief to the Dominion coal enquiry at its Regina sitting reflected the CCF Government's trend toward centralization and control.

Saskatchewan's brief concerned the Estevan-Bienfait lignite coalfield—the only coal producing area in the province — urged formation of a Dominion coal board with wide powers of control over production and marketing.

But the brief added that the provincial government "will not hesitate to take a lead in adopting a firm policy to stabilize the coal industry in the province, if the Dominion fails to take a lead."

The province, the brief said, was prepared to set up a provincial coal marketing board as a solution to coal problems. The Government suggested in the Western Canada fuel area, a system of interprovincial agreements, backed by Dominion authority with special powers to act in disagreements among producers or provinces.

(Stabilization of the province's coal industry was attempted by a Liberal government in 1935 with the passage of the Coal Mining Industry Act. This controlled price at the minehead, and other aspects of the industry. However, it has been only partially effective because the greater part of production is marketed in Manitoba, outside of control of the Saskatchewan Government).

Ontario Gold Output Declined in February

Gold production in Ontario fell to $4,685,156 from 474,362 tons milled during February as compared with $5,667,807 from 578,771 tons milled in the comparable month of 1944. Output from the Porcupine area totalled $2,542,893; Kirkland Lake-Larder Lake belt, produced $1,396,164, while Matachewan-Sudbury area produced $41,638 and northwestern Ontario $704,461.

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'Must Stop Bickering to Win Industrial Growth'

This is the third in a series of articles dealing with specific aspects of the report of Dr. R. MacGregor Dawson on the Development and Rehabilitation of Nova Scotia.

In his Report of Transmission, Dr. Dawson writes: "Co-operation is conspicuously lacking in many of the relations of labor and capital, which not only have injured both parties in their day to day relationships, but have seriously, and perhaps permanently, crippled industrial expansion in the province.

"Nova Scotia is not in such a secure position industrially that she can afford the continual bickering and frequent paralysis that is the inevitable accompaniment of discordant relations between employer and employees. These disturbances, moreover, have an unquestioned effect upon the establishment of new industries, which, with the whole Dominion to choose from, are not going to settle down in an area where the traditions and atmosphere are so unfavorable to stability and to efficient production."

Reporting on Labor Relations, Dr. H. A. Logan, of Toronto University's Department of Political Economy, says, "The province would benefit through having a ranking deputy minister in the department whose broad functions would be to maintain cordial and constant contacts with all labor groups outside, and act with the vitality and courage that associates with such authority. It has been represented to the survey that the department has not actively sought contacts with all the various significant groups and organizations, although admittedly contacts must depend on the co-operation given by the union leaders as well as on the government officials themselves."

How to Settle Dispute

The constant recurrence of labor disputes in Nova Scotia can only be settled by legislation which will be based on real wage equality with the rest of Canada, the Report by Dr. Logan contends. "Real wage equality" based on the cost-of-living principle, and not "money wage uniformity" is advocated as a postwar fundamental objective for Nova Scotian labor.

The report recommends a program designed to strengthen and perpetuate the success of the Nova Scotia Regional Labor Board. Dr. Logan defined labor relations as involving "not only wages and working conditions and freedom from strikes and lockouts, but also workers' training and efficiency, their attitudes and morale."

13-Point Program

The report recommends a 13-point program to assure the province an adequate labor policy. These are:

(1) Income tax reform based upon a more economical tax structure for peacetime.

(2) Provincial action to reduce cost of living.

(3) Training of trade union leaders and industrial relations officers to fit them for their responsibilities.

(4) Extension of the scope of the Industrial Standards Act and Minimum Wage legislation.

(5) Rigid enforcement of the Minimum Wage laws, and appropriate representation of labor on the Minimum Wage Board.

(6) Increased expenditures to prevent industrial accidents and provide greater safety for labor.

(7) Fresh effort to build labor-management co-operation, and to harness the creative impulses of workers.

(8) Resolute effort to improve the cultural level of life in mining communities.

(9) Finding more miners to work at the "coal face" and improving flexibility of colliery working forces. The report stresses the need for encouraging the occupation of mining, and foresees a tendency for the younger generation to shift to other occupations.

(10) Application of improved technology for coal mining.

(11) Social and economic planning to provide skilled and semi-skilled workers as needed for different occupations.

(12) The utilization of personnel administration to offset "the impersonality of modern industry" and to develop employment stability and improved labor relations.

(13) Rulings of the Nova Scotia Regional Labor Relations Board should be final, and the recommendation that a competent, ranking deputy minister of labor be appointed to the provincial civil service.

Postwar Outlook

The report, while stressing the labor relations and conditions in the Nova Scotian mining industry, deals specifically with the postwar outlook in the steel industry, the longshore industry, the pulp and paper industry, textiles, fishing and other regional industries. After reviewing conditions in the steel industry Dr. Logan made these specific recommendations:

(1) A new approach and philosophy is necessary in the labor-management policies of this industry.

(2) Future policy should consider not only the technology of the industry but make provision for the areas of operation, and output based on sales research.

(3) A time limit on labor disputes to avoid long delays and hold ups in reaching collective bargaining agreements.

(4) Legal enforcement of agreements once the bargain has been struck.

(5) Provision for security of tenure for the worker to guarantee social and industrial security.

"Company withdrawals like that at Amherst, N.S. a quarter of a century ago, and the present threat at Trenton, destroy the faith of workers in corporations and in the economic system," the report emphasizes. "Possible changes in corporation law so that some part of the social loss should fall on the company concerned," is advocated.

BUY VICTORY BONDS
MAKE VICTORY STICK

C.G.E. Planning New Factories

Included among the Canadian General Electric's plans for the expansion and modernization of its manufacturing facilities are the following:

1. A new factory at Barrie, Ont. for the production of electrical appliances.

2. A $350,000 addition at its Davenport Works in Toronto for manufacture of glyptal alkyd-type resins.

Construction on the Barrie factory will begin this spring providing plans are approved by the Controller of Construction. The building will be of modern design and construction, contain about 50,000 square feet of floor space and new manufacturing equipment of the latest automatic type, it is stated. The manufacture of toasters, irons, coffee makers, kettles, heating pads and similar small electrical appliances should begin at the new plant before next Christmas, if labor and materials are available, it is expected. Except for a few keymen, all personnel will be engaged in Barrie.

The addition to the Davenport plant is expected to be in full operation in July 1945. It will be three stories and of reinforced concrete construction. In addition to the latest chemical processing equipment the plant will house a large modern laboratory. The total floor area including both manufacturing and storage space will be about 30,000 square feet.

Glyptals are synthetic resins manufactured from coal tar derivatives, glycerine and various vegetable oils and are used extensively as a base for paints and enamels.

Towagamac Exploration Co. reports net loss of $6,752 for the year ended Dec. 31, 1944. Holdings at the year end comprised 1,080,765 shares of Aldermac Copper Corp.; 617,000 shares of Francoeur Gold Mines; 487,834 shares of Lake Geneva Mining Co. and 596,580 shares of Lake Fortune Gold Mines. Current assets as at Dec. 31, 1944, amounted to $67,215 as against current liabilities of $8,509.

BOOST BOND BUYING

Duquesne Assays Rich Across Narrow Widths

Duquesne Mining Co. continued to be a market favorite on the Toronto Stock Exchange this week with shares steadily accelerating in price on good news from the property. Latest word on drilling from A. C. Lee, mining engineer and mine manager, gave the following intersections in Hole No. 41: 1½ ft. assaying 17.54 oz. from footage 568.5 to 570 ft.; 2.7 ft. assaying 2.52 oz. from footage 570 to 572.7 ft., or an average of 7.88 oz. over 4.2 ft. Along with other assays from footage 559 to 572.7 ft. the average is reported at 2.43 oz. over 13.7 ft.

Work to date has been concentrated on the eastern section of the property, in the shaft area, with all holes put down being west of the drift on the 500-ft. level where the line of strike had reached 300 ft. Holes Nos. 35 to 41 inclusive, have extended the show for 650 ft., it is reported. No. 42 has been spotted some 50 ft. west of No. 41.

Duquesne Mining Co. reports approximately $100,000 cash on hand, and while virtually the entire treasury position is depleted, the company is said in a position to secure ample funds for underground development on an interest basis.

GOLD!

By Subscription Only
$1.50 in Canada & Newfoundland
$2.00 in U. S. & elsewhere.

DISCOVERY IN NEWFOUNDLAND

Read the exclusive story in the April "ATLANTIC GUARDIAN," the new Newfoundland magazine —just out!

"ATLANTIC GUARDIAN"
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1625 Lincoln Ave., Montreal 25, P.Q.

MANUFACTURING BUSINESS FOR SALE

Successful company now on war work but with excellent possibilities in an almost entirely new post war market. Finances are in good shape; no bank loans, no bonds outstanding and no preferred stock. Labour relations excellent. Company well and favourably known.

Reasons for selling . . . Owner wishes to retire and is in vulnerable position in relation to present succession duty laws. Would prefer to dispose of all shares outstanding but would consider selling control or block of stock *(to protect estate in case of death)* if assured that business will be properly managed and if present employees fairly dealt with.

About $350,000 required if all shares purchased. No brokers, promoters or middle men. Will deal only with principals direct. Initial negotiations must be conducted in the strictest confidence. If interested write me, address,

BOX 179, THE FINANCIAL POST, TORONTO, ONTARIO

Book Talk BY Macmillan

Military victory brings into sharper focus the enormous problem of what to do about the conquered people. This will tax the wisdom and statesmanship of the Allied nations when they come to deal with Germany. Here are two books that will help you understand the nature of the task, excellent background reading for a full understanding of the San Francisco Conference.

In The Pan-Germanic Web ($2.) Vladimir Grossman, a widely travelled journalist and student of history and politics, surveys the steps by which Germany ensnared almost all of Europe, and outlines a plan for the dissolution of the German Reich and the reconstruction of Europe. His views on postwar political readjustment are of unusual interest and importance.

The legal aspect of Germany's crimes against civilization and how they should be handled are discussed in *Germany's War Crimes and Punishment* ($2.50) by M. H. Myerson, B.A., B.C.L., a brilliant young Montreal lawyer. His clear exposition of questions that will be cropping up at international conferences will "put you wise" in a non-technical way.

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GOOD Macmillan READING
AT ALL BOOKSTORES

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AVAILABLE EXECUTIVE OR SALESMAN

RETIRED R.C.A.F. Squadron Leader, administrative branch, wishes to contact reliable firm who require services of executive, salesman or manufacturers agent. Advertiser is in late thirties, ambitious, energetic and capable with long sales and executive experience. Long-time resident and particularly well connected in Western Canada but locality unimportant. Satisfied with modest remuneration until worth is proved or commission basis. Replies confidential. Apply nearest Employment and Selective Service Office. Refer to H.O. 2035.

IN THE MATTER OF THE ESTATE OF WILLIAM J. McKEE SALE BY TENDER OF MORTGAGES AND REALTY, Etc.

Tenders are invited for all the following assets of the said Estate which are offered for sale by tender in one block under authority of an Order of the Supreme Court of Ontario for the purpose of winding up the Estate and distributing the proceeds amongst Creditors. The assets consist of:—

46 FIRST MORTGAGES on the security of dwellings, duplexes, stores, apartments, etc., in the City of Windsor, Ontario.

1 AGREEMENT FOR SALE on the security of a dwelling, City of Windsor.

The total of balances owing for principal under the above Mortgages and Agreement for Sale is approximately $112,000.00

REAL ESTATE comprises one 4-family cement block terrace, City of Windsor.

MISCELLANEOUS ASSETS of no particular value.

Complete detailed information respecting such assets and the conditions of sale will be furnished by the undersigned upon request.

Tenders are called for the purchase of the above assets, to be filed with the undersigned on or before the 15th of May, 1945.

As of the 30th of April, 1945, the assets then remaining and the balances then owing upon the Mortgages and Agreement will be fixed for the determination of the sale and conveyance. The sale is to be completed on or before the 30th of June, 1945.

TERMS—A certified cheque for 5% of the amount of the tender shall accompany the tender and the balance of tender shall be paid in full on completion of the sale and conveyancing.

The highest tender or any tender will not necessarily be accepted.

THE TORONTO GENERAL TRUSTS CORPORATION,
Receiver and Manager of the Estate of
William Johnson McKee, Deceased.
347 Ouellette Avenue,
Windsor, Ontario.

DATED April 3rd, 1945.

"Take your own advice"

• How about taking time off from your business appointments to have a meeting with *yourself*. Look in the mirror. There you are, a prospect with money to invest. Give—and take—your own advice.

You have a reputation for knowing sound investments. Then you know all about the investment value of Victory Bonds, so there's no need to tell you about their excellent yield . . . that they are guaranteed by the Dominion of Canada . . . and all the other advantages that make Victory Bonds Canada's No. 1 investment to-day.

Invest in Victory Bonds—because of their investment value, certainly, but more important *now*, because your money is urgently needed to provide the tools and services of war at its most critical time.

Do not overlook the opportunities you have to talk Victory Bonds to your employees and business associates.

INVEST IN THE BEST
This time buy an EXTRA
VICTORY BOND
8
8-58
NATIONAL WAR FINANCE COMMITTEE

High Wage Structures and Lower Unit Costs

The wage structure in many industrial firms has been badly disturbed during production for war. The result is that now and for some considerable period in the future, as certain firms cease production for war purposes and resume full scale operations on producing peace time goods, their most pressing problem is adjusting present wages to economic production costs.

The solution of this problem is not easy. It often requires intensive and expert study and revision of plant, equipment and processing by competent industrial engineers.

This isn't to imply that a firm's own executive is not by itself capable of solving the problem . . . eventually . . . even if only by the method of trial and error.

But this method may be costly. The better procedure, as many eminent firms have discovered, is to call in the R. J. H. Ryall organisation to work with them in solving their difficulties, even though these firms have not yet fully resumed their normal peace time operations.

Solutions cannot be found overnight . . . and it is wise to be foresighted.

The wide range of R. J. H. Ryall & Company's experience in so many and so varied a group of organisations places at the service of executives a wealth of knowledge, that few if any single organisation possesses.

If, therefore, you are pondering ways and means to adjust operations from a war to a peace time basis, with a view to lowering unit production cost, while maintaining present wage levels, it should be to your advantage to consult us. Other firms have found it expedient and profitable to do so.

* * *

We are solely a Canadian firm . . . perhaps a bit conservative in promising — but reliable in delivering results. All our men are senior executives, each qualified and experienced in his own field.

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INVESTMENTS THIS WEEK

Montreal Power Reports $36 a Share Asset Value

Issuance of the annual financial statement of Montreal Light, Heat & Power Consolidated for 1944 coincides with continued strength in the company's stock at around the highest level since before the Quebec Government expropriation move. The financial report is an encouraging one, in that it indicates value for the stock, on basis of company's figures for assets-worth, at over $36 a share—or well above present market price. In addition, as reported by The Financial Post on April 14, the experts who have been making a detailed appraisal of the assets during the past 15 months, contend that the company has been too conservative in valuing its assets in the financial statements.

Backed by the data that has been compiled by the experts, the company would appear to be in a strong position to get for the stockholders considerably more than the present market price of the stock. The big question, though, is when a final satisfactory settlement can be obtained.

Should the present government at Quebec make an offer to the stockholders at this time, the Opposition (as indicated in recent statements in the Legislature) is pretty certain to attack the offer as "too high"—no matter what offer is made. Duplessis, with his slim majority, has delayed making an offer to stockholders evidently through fear that the Opposition might try to use the Montreal Power issue to force a new election.

The proposal of the company for appointment of an impartial commission to investigate the facts and recommend a fair price for payment would appear to be one way out of the present deadlock. The company, of course, would have the right to appeal to the courts, if any offer made were considered inadequate. The main drawback in recourse to the courts would be the inevitably lengthy delay before settlement were reached.

* * *

Estate Sells Large Block Dominion Stores Common

Probably the largest single transaction that has been recorded on the Montreal Stock Exchange, both in point of number of shares and amount involved, was the "put through" of one block of 46,975 shares of Dominion Stores, Ltd., common stock this past week, with value of the block nearly $700,000.

The transaction is understood to have represented sale of stock held by an estate, and instead of the holding being distributed gradually over a period of time, a single buyer was found for the entire block. The close to 50,000 shares is a substantial percentage of the total amount of stock outstanding—280,014 shares. No announcement was immediately forthcoming as to the identity of the purchaser, or whether the transaction will result in any change in the directorate.

* * *

Further Refunding Soon Of City of Calgary Bonds

Refunding of an additional $2,407,673 of Calgary, Alta. debentures has been approved by the city council and a notice calling for redemption at par on July 1, 1944, the series 1943, 1943A, and 1943B bonds, has been issued. Tenders for the new issue probably will not be called for until after the completion of the Eighth Victory Loan campaign, investment dealers expect.

The new issue is expected to consist of $2,250,000 of 16 year serial bonds to be dated July 1, 1945. It is proposed to ask for tenders on a callable and a non-callable basis, with interest at 3% on maturities of the first six years, and 3½% on the balance. An interest saving of $362,000 during the 16-year life of the new issue is estimated.

* * *

Alberta Bonds Strong in N.Y. On New Refunding Rumor

Alberta bonds are reported to be strong on active trading in the New York market but are quiet in the Canadian market, possibly due to the absence of most of the dealers on the Eighth Victory Loan.

A rumor is current in New York that agreement is likely to be reached on a new plan providing for payment in full of interest arrears and for the issuance of new 3½% bonds and that Premier Manning will make an announcement next week. Toronto financial circles are inclined to doubt that the announcement will be made next week, but agree that any statement will have to come from Premier Manning.

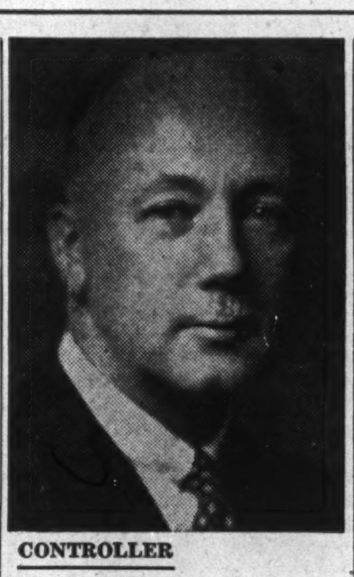
Backing to the New York rumor is provided by Premier Manning's announcement of Apr. 11 that there was a possibility that Alberta might be "able to work out an arrangement" embodying federal government assistance in its debt-refunding scheme. Mr. Ilsley's offer was based on recognition by the province of its liability for the full amount of unpaid interest and of the difference in interest rates on the presently outstanding bonds, it is pointed out.

* * *

Discussing Refinancing
For Haileybury Bonds

Negotiations for a refinancing plan for the town of Haileybury's debenture debt are under way at the present time between the Ontario Department of Municipal Affairs, acting on behalf of the town, and the representatives of the debenture holders, The Financial Post understands. It is expected that a plan will be agreed on in the near future but no details are yet available.

Haileybury defaulted about July 1, 1942 on its debenture debt, which amounted to $400,324 at Dec. 31, 1943. No offerings or bids are reported to be in the market at this time.



CONTROLLER

John R. Leslie becomes controller of Howard Smith Paper Mills Ltd., continues as controller and treasurer of subsidiary Alliance Paper Mills Ltd., and secretary-treasurer of Allied War Supplies Corp.

THREE POINT PETE

Three Point Petroleums in 1944 acquired a 2.63% interest in Coastal Oils in exchange for shares in Chinook Oils and Baroils Ltd. Total in 1944 was $11,528, and educting royalties, production ses and development costs, net profit was nil. Current assets as at Dec. 31, 1944, totalled $6,120 as against current liabilities of $133. Investments amounted to $30,764.

BOOST BOND BUYING

business services

THIS Corporation renders a number of secretarial and agency services to companies. It disburses dividends and registered interest, mails annual reports and proxy notices; acts as transfer agent and registrar, and as escrow agent. These services will relieve your company of administrative detail, and enable you to effect important office economies. Your inquiries are invited.

THE TORONTO GENERAL TRUSTS
CORPORATION
HEAD OFFICE 253 BAY ST. TORONTO

Government of the Province of Alberta

NOTICE TO HOLDERS OF PROVINCE OF ALBERTA DEBENTURES WHICH MATURED NOVEMBER 1, 1936

The Province of Alberta will pay interest to **bona fide** holders of debentures of the above issue, at three per cent per annum, in respect of the half-year ending May 1, 1945, being at the rate of $15.00 and $7.50, respectively, for each $1,000 and $500 denomination.

Holders will be paid interest as stated on presentation of their debenture or debentures for notation thereon of such payment of interest at any branch of the Imperial Bank of Canada in the Dominion of Canada. Debentures should be accompanied by the usual ownership certificates required by the Dominion Government as in the case of coupons.

Dated at the City of Edmonton, in the Province of Alberta, this 14th day of April, 1945.

(Sgd.) E. C. MANNING,
Provincial Treasurer.

(Extract from The Alberta Gazette of April 14, 1945.)

Second East Sullivan Hole Gives Wide Core

The second drill hole put down in the west end of the Bourlamaque property of East Sullivan Mines is reported to have yielded some 160 ft. of core which has been sent out for assay. The hole was drilled at an angle of 40 degrees and cut the diorite dike in which the intersection was obtained at a vertical depth of approximately 350 ft.

Sludge assays for a length of 70 ft. are reported to have averaged $10 and the sludge for the entire 160 ft. gave commercial values. Some 8 ft. of core was solid chalcopyrite, and a further 25 ft. was heavily mineralized. Additional drill holes are to be put down along the indicated strike to test the extensions of the zone.

INVEST IN THE BEST

CANADA'S PREMIER INVESTMENT
8th
VICTORY LOAN

3% Interest
18 Yrs. to run
BUY TODAY

Newsprint Mills:
THOROLD, ONT.
BAIE COMEAU, QUE.
Alcohol Plant:
THOROLD, ONT.

Woods Operations:
BAIE COMEAU, QUE.
FRANQUELIN, QUE.
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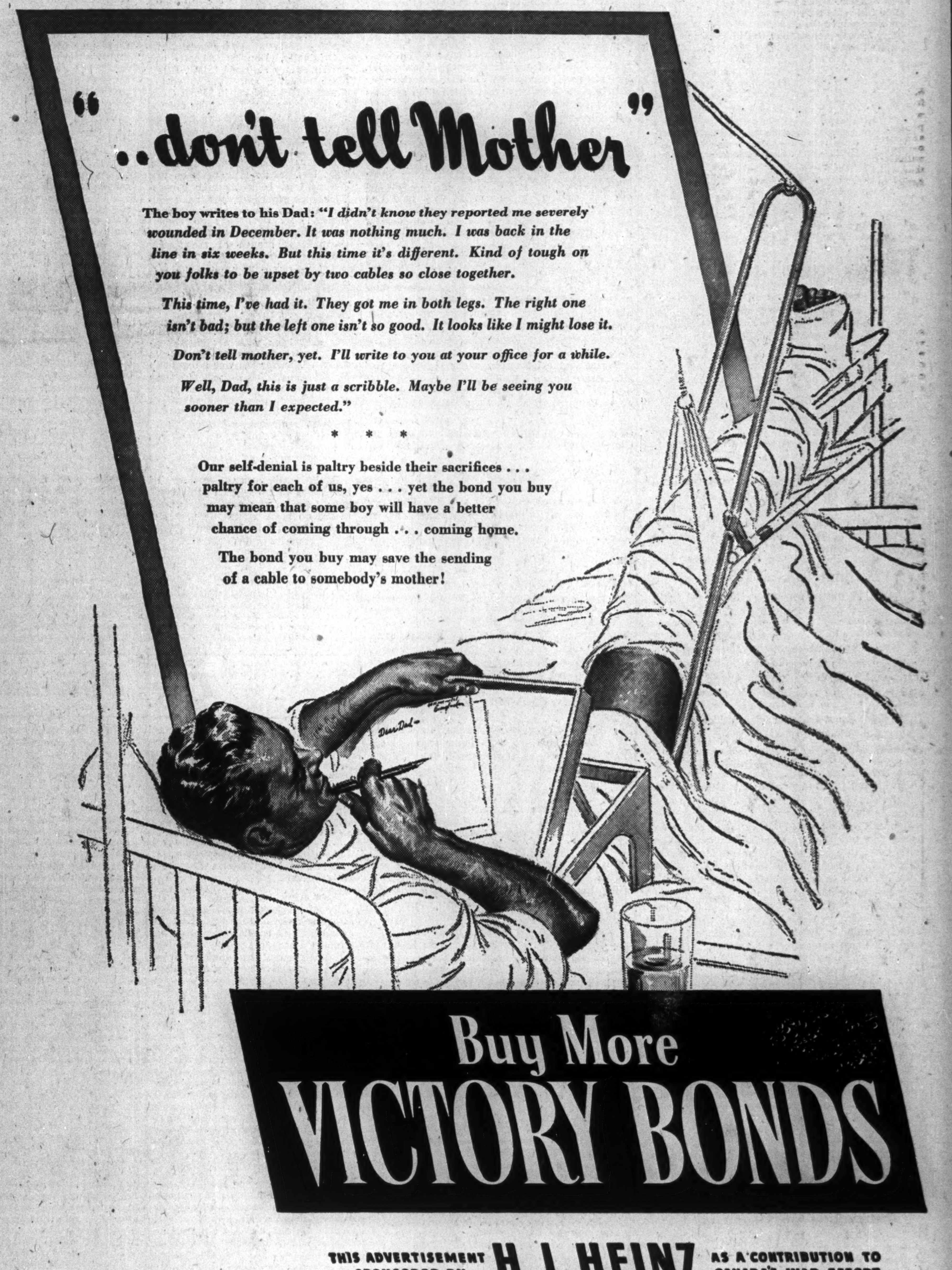


"..don't tell Mother"

The boy writes to his Dad: *"I didn't know they reported me severely wounded in December. It was nothing much. I was back in the line in six weeks. But this time it's different. Kind of tough on you folks to be upset by two cables so close together.*

This time, I've had it. They got me in both legs. The right one isn't bad; but the left one isn't so good. It looks like I might lose it.

Don't tell mother, yet. I'll write to you at your office for a while.

Well, Dad, this is just a scribble. Maybe I'll be seeing you sooner than I expected."

* * *

Our self-denial is paltry beside their sacrifices . . . paltry for each of us, yes . . . yet the bond you buy may mean that some boy will have a better chance of coming through . . . coming home.

The bond you buy may save the sending of a cable to somebody's mother!

Buy More VICTORY BONDS

THIS ADVERTISEMENT SPONSORED BY H. J. HEINZ COMPANY OF CANADA LTD. AS A CONTRIBUTION TO CANADA'S WAR EFFORT

Claims Tax Machinery Tardy

Here is the case history of one income taxpayer reported to us not only with indignation, but with deep concern as to what is going on generally in present income tax administration. He writes:

> "March 29, 1940, my wife received notice of income tax assessment. As her attorney (she is an invalid) I gave notice of appeal on her behalf. I was advised that the appeal must be made in person or by her solicitors within one month. Solicitors were retained to make the formal application. May 2 the decision was given with the further notice that any appeal must be made within 30 days and that $400 must be forwarded as security for costs. That was complied with.
>
> "Five years have gone by and no settlement is yet in sight, nor is there anything we can do to hasten it. Furthermore, until the case is decided, the income tax department auditor will not clear any of my wife's personal income tax returns since the date of appeal.
>
> "I submit that there should be some time limit for the Government to bring the case before the court. It is now a one-sided arrangement whereby the Government demands action within 30 days, but has no obligation as to the time or for the return of the money deposited."

We readily admit that strict requirements that will secure satisfactory public compliance with income tax administration are necessary and desirable. But the case cited here is just one of many we have heard where the public has a right to ask questions about our tax machinery—and to get answers.

The startling picture of income tax payments by Canadian farmers originally revealed in The Financial Post and subsequently confirmed and amplified by government officials still has to be explained.

And what about the income tax payments of other segments of the Canadian population? Those, too, are facts which the Canadian public has a right to know.

Here is a very urgent task awaiting the most earnest and expert attention of the new Parliament. Nothing would be more serious than the spread of doubt or suspicion among the public that our tax collection machinery was not working fairly and efficiently.

Insurance Has to be Sold

Life insurance has to be sold.

Latest proof for that much-proven truth is U. S. military experience in getting U. S. servicemen to take advantage of the life insurance "bargains" offered by the U. S. Government.

Less than two weeks after Pearl Harbor, Congress passed a law allowing an additional 120 days during which military personnel could obtain government insurance up to $10,000 without evidence of good health.

News of the law (and we quote Metropolitan Life's account of the matter) was radioed to the beleaguered garrisons in the Philippines; they were urged to take full advantage of the law and many of them did. When the applications were opened an amazing discovery was made: many of the applications were for $5,000 or less.

On this, the Metropolitan Life report states:

> "Think a minute what that means. The men who made these applications signed them in the very midst of death. Shells were falling all around them; before their eyes their comrades dropped; into their ears were poured the groans of the dying. Never in history has any group of men been subjected to more powerful, more dramatic life insurance persuasion. Yet, with all this frightful reminder of the insecurity of life, hundreds of men could not induce themselves to make the little decision necessary to insure $10,000 to their families. They wavered and hesitated and settled for $5,000 or less.
>
> "Later the army organized a corps of ex-insurance agents and assigned them the task of personal salesmanship. As a result the average policy in force today on the lives of U. S. servicemen is not $5,000 or less, but over $9,000.
>
> "What the guns and the enemy airplanes and the exploding shells could not accomplish, the life insurance agents did. They persuaded our men to do the right thing for themselves and their dependents. That is the job of the life insurance agent—to persuade us to do what we know we should do."

For Somebody at 'Frisco

The following speech does NOT come from the United Nations conference at San Francisco.

> "The peoples of the world are awake and the peoples of the world are in the saddle. Private counsels of statesmen cannot now and cannot hereafter determine the destinies of nations. If we are not the servants of the opinion of mankind, we are of all men the littlest, the most contemptible, the least gifted with vision. If we do not know our age, we cannot accomplish our purpose, and this age is an age which looks forward, not backward; which rejects the standard of national selfishness that once governed the counsels of nations and demands that they shall give way to a new order of things in which the only questions will be, Is it right?, Is it just?, Is it in the interest of mankind?"

That was spoken 26 years ago at the dedication of a vast new cemetery of war dead at Suresnes, France. The speaker was Woodrow Wilson, then in the midst of a titanic struggle for world peace.

Somebody at San Francisco should use that speech over again.

Blunt Talk on Taxes

Ross H. McMaster, chairman of the board (until this week president), the Steel Co. of Canada Ltd., did some apt and blunt talking on matters of importance to the whole Canadian community at his company's annual meeting.

While noting government promises of tax changes, Mr. McMaster brought several points to public attention on which he will get wide support. To mention only two:

He pointed out that Canadian industry has to import a good deal of special machinery. On this essential job-making equipment, he said, there is a duty of 10%, then a War Exchange Tax of 10%, then a sales tax of 8%. Mr. McMaster added: "Considering that the government takes in taxes a minimum of 40% as its share of industrial profits, these important additions to the initial cost of equipment cannot avoid having a discouraging effect (on new and expanded enterprise). The promise of future relief in the form of additional depreciation can hardly be expected to overcome these increases in the original cost. . . . Hopes for the future depend largely upon the practical means of reducing costs by the use of the most efficient tools procurable."

Another of Mr. McMaster's tax comments will also win much applause:

> "Against such time as tax adjustments are considered, I would like to make a special plea on behalf of income taxpayers in the intermediate groups. The abruptness with which the tax rates ascend imposes a heavy burden that has been borne by them with fortitude but not without sacrifice. The group most seriously affected includes many future leaders of business, now approaching the time when their talents, training and experience should be entitled to the reward due their greater capacity...
>
> "A principle of taxation frequently referred to is that taxes should be levied according to ability to pay. As a policy it is unquestionably sound, but its acceptance and constant repetition seem to have created the impression that the principle can be extended even beyond the stage where it curbs effort and production. In the circumstances now confronting the country, every encouragement should be given to new enterprise, invention and creative leadership if maximum employment is to be achieved."

Distribution Costs Too High?

"Distribution costs are too high." "The battle of production has already been won. Now comes the battle of distribution."

Statements like those are being bandied around widely these days. They come not only from the revolutionaries who want us to embrace totalitarianism, but also from people who know something or a good deal about business and who are eagerly trying to make our system work better for more people.

The fact, of course, is that both in production and in distribution there is still immense improvement to achieve in giving to the consumer better value.

But wartime experiences should teach us something about marketing costs and prove to us that, not only are we willing to pay certain marketing costs, but, as soon as the war is over, we shall insist on paying them through selecting the people with whom we do business.

An informed U. S. estimate is that distribution costs could readily be cut in half—provided products were simplified and standardized, provided stores were to be open only certain hours of the day and only on certain days, provided we were willing to stand in line, take without question the product offered, pay in cash, take the product unwrapped and ask no such thing as delivery.

That is the kind of distribution system they have in penitentiaries. It is the kind the socialists want to give Canada.

The Canadian housewife, during wartime, returns angry and bedraggled from shopping trips, bemoans lack of varieties, cancelled deliveries, long store waits and so on. She demonstrates very clearly that Canadians want distribution services that cost money more than she wants wartime inconveniences; that prompt restoration of those services after the war is one thing she eagerly awaits.

Try getting the Canadian woman to accept as a permanent a "standardized" house dress. Try, even with the price concessions, to get Canadian cigarette smokers to be content with only two or three brands to choose from. You won't succeed.

Here are a few price changes (U. S.) on common commodities between 1926 and 1941: electric refrigerator sales were up 579%, price down 54%. Vacuum cleaner sales gained 44% while price dropped 19%. Other price declines among products with a big sales increase were: canned soup price down 29%, silk stockings down 50%, electric irons down 51%, toilet soap down 60%, radios down 79%, cameras down 60%.

There is the enterprise system at work. Let's recognize that a big part of distribution cost is really service cost—service we customers want, insist upon, as our basic consumer freedom. The healthy workings of the competitive system—provided it is given a chance to operate—are our guarantee that there's not very much seriously wrong with distribution costs; that we shall get constantly improving value.

Where Secrecy is Not a Virtue

During the last session of the Ontario Legislature the proposal was made that the Company Act be revised to prevent shareholders' names becoming available to the public. Major arguments supporting the proposal was that such a step would prevent compiling of "sucker" lists. That argument is not valid and it is to be hoped that the suggestion will not be revived.

In the Dominion Company Act, under reasonable safeguards, full access to shareholders' names is guaranteed and it is vital that such provision be maintained, as it was maintained in a recent court case in Toronto.

Secrecy regarding identification of shareholders could only play into the hands of those radicals who would have the public believe that a score or so individuals own every important company in Canada.

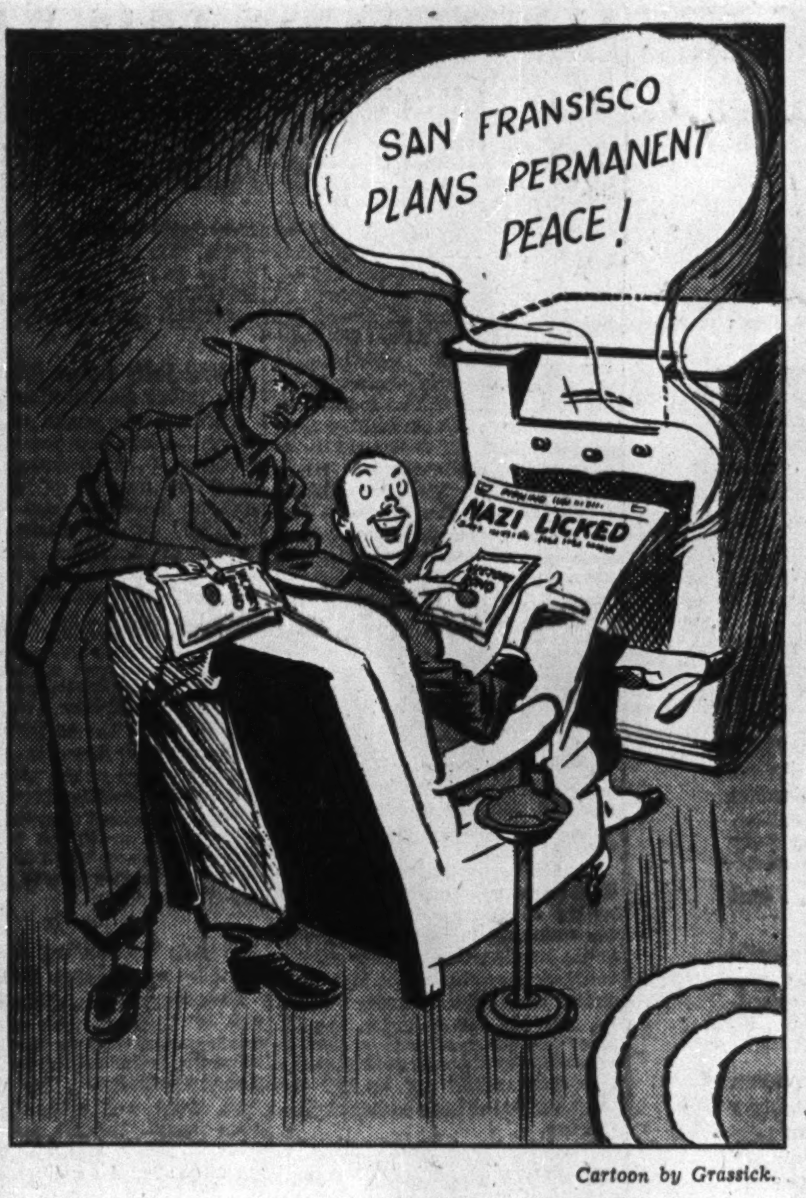
Any investor or potential investor in a company has a fundamental right to know who are the actual owners of the company in which he is interested. Only through such knowledge is intelligent investment possible. In Canada it is just as essential that we maintain democracy in business as in government.

Your Accident Chances

Manufacture of explosives is the second safest job to work at according to the National Safety Council, Washington. There chances of injury, enough for "temporary disability" are one in 100. Safest industry is communication with chances one in 150. The pedestrian's chances of being hit by a motor car are one in 570. The drunk driver is 55 times more likely to have an accident than the sober. Your chances of being hurt travelling in a train are one in 1,620,000. Home and job are equally safe with accident chances one in 20.

The Financial Post's Platform for Canada

1. *Efficient concentration of manpower and resources on prosecution of the war until victory is complete.*
2. *Overhaul of our tax system to stimulate employment, encourage enterprise, reward thrift.*
3. *Full participation by Canada in world action to ensure peace and promote world trade.*
4. *Aggressive salesmanship for Canadian products in world markets.*
5. *Planning now for postwar by government and business to ensure high levels of employment and to improve social standards through individual initiative and competitive enterprise.*
6. *Disposal of surplus war assets in a manner most conducive to business expansion, high employment and maximum return to the public purse.*
7. *Ending of wartime regulations and dispersal of wartime bureaus as swiftly as the main need for which each was originally created has passed.*
8. *Highest possible efficiency and economy in both public and private affairs.*


SAN FRANSISCO PLANS PERMANENT PEACE!
NAZI LICKED
VICTORY BOND

Cartoon by Grassick.

HEY — YOU'VE GOT A JOB TO DO — RIGHT HERE

Post Scripts

"Honorables" for Life

The naming last week to full cabinet posts of Douglas Abbott, Paul Martin and Lionel Chevrier, confirms the new pattern of promotion that lies ahead for young parliamentary assistants. Mr. King experimented with parliamentary aides for senior cabinet ministers in 1943. First to be named was Douglas Abbott to assist Mr. Ilsley. Later Mr. Chevrier was named to Department of Munitions and Supply, and Mr. Martin to the Department of Labor. Brooke Claxton was named parliamentary assistant to Mr. King.

Mr. Claxton was the first of this quartet to get full cabinet rank when the new post of Minister of Health and Welfare was created. Now Abbott becomes Minister of National Defense for Naval Services; Martin becomes Secretary of State, and Chevrier becomes Minister of Transport.

Average age of this quartet is 44. Whether they get themselves elected or not, they will carry the style "Honorable" in front of their names for life.

Douglas Abbott

Douglas Abbott has steadily grown in stature since he entered Parliament in 1940 by defeating the veteran R. S. White. Those in the know predict he will have very tough going to be re-elected on June 11 in the traditionally Conservative seat (St. Antoine Westmount) despite his proven record of achievement as private member and parliamentary assistant.

MR. ABBOTT

Originally, Douglas Abbott was parliamentary assistant to Mr. Ilsley. More recently, since the defeat of General McNaughton in North Grey, he has represented the senior defense ministry in the House and has done so with extraordinary skill and competence. Now he replaces Angus Macdonald in the Naval Ministry.

Douglas Abbott is a Lennoxville, P.Q., boy. His family roots on this continent go back for nine generations. Five generations ago, one member came up from Massachusetts to Canada. By the 1870's an Abbott was postmaster in Lennoxville where the present branch of the family settled.

Abott's father died when he was six, but the new Naval Minister was educated at Bishop's College, enlisted before he was 17 in the last Great War and got to France just before his 18th birthday. Before he was sent back with a "blighty" in 1918, he was a second lieutenant in the RAF. After the war he went to McGill and studied law; spent a year back in France studying at Dijon University, then returned to Montreal in 1922 to the law firm of which he is now a partner: Phelan, Fleet, Robertson and Abbott.

Paul Martin

Paul Martin, new Secretary of State, has had "political ambitions" ever since he was a youngster. He makes no bones about the fact that most of his life he has been preparing for a parliamentary career.

Paul is completely bilingual. His father was Irish; his mother French Canadian. He was born in Ottawa but moved very shortly to Pembroke where his father was a day laborer with the Steel Equipment Co. He was educated in the Separate School at Pembroke, then came to the Ottawa district again to attend the Holy Ghost College at Ironside (more familiarly known to Ottawa folk as the "sugar bush"). From there he earned his way through St. Michael's College in Toronto to "balance" the French and English sides of his education.

The day he wrote his final law exam at Toronto he, was nominated to run against Hon. E. A. Dunlop in the Ontario provincial riding of Renfrew North. To use his own phrase, he took "one hell-of-a-licking"—a licking compensated somewhat by the high rank he attained in his exams and which brought him a scholarship at Harvard University. After that came another scholarship, which gave him the year 1929-30 in Trinity College, Cambridge, followed by six months at the Geneva School of International Studies.

MR. MARTIN

Paul Martin's "home" roots have been in Windsor for the past 15 years.

Lionel Chevrier

Lionel Chevrier is another "French-English-Canadian" cabinet minister who now represents an Ontario constituency, thus raising in some minds shadows of things they fear are shortly to come in Canadian parliamentary life.

Like Paul Martin, Mr. Chevrier is completely bilingual and as such can put to shame most of his English-speaking confreres in Parliament who have little knowledge or understanding of Canada's "other" language.

The new Minister of Transport has not been much in the public eye since he was named parliamentary assistant to Mr. Howe in 1943. But those who have followed his work give him top marks for having done a useful job in taking a great deal of the parliamentary and political load from Mr. Howe's shoulders.

Mr. Chevrier represents the Stormont (Cornwall) constituency where he was born 42 years ago. His father came to Cornwall half a century ago when there were very few French Canadians in the district. He won the respect of the community and for many years (and during the last Great War) was mayor of the city.

MR. CHEVRIER

Son Lionel was educated at Ottawa University, played first-rate hockey and football; went on to Osgoode Hall for a law degree and returned to Cornwall to practice about 1930. Two years later he married Lucienne Brule of Ottawa. The Chevriers now have a family of five.

For years, Chevrier was secretary of the Cornwall Liberal Association; got the nomination for his riding in 1935 and carried the election. He has been in Parliament ever since.

His selection as Minister of Transport will keep him working pretty close to Mr. Howe, since the latter, ever since he left the Transport portfolio himself, has always carried with him personally the major responsibility for Air Transport in Canada.

• • •

Stop Me If

Victory Loan Speaker—"All who will buy a $500 bond please stand up."

(Aside to Pianist): Play "God Save the King."

The Postwar World

How Canada can meet the coming crisis in fuel

In a recent issue of The Canadian Journal of Economics and Political Science was published an article, "A Fuel Policy For Canada," by Prof. E. A. Allcut, who is head of the Department of Mechanical Engineering, University of Toronto. Herewith are extracts.

The fuel problem is likely to be one of the most important in postwar Canada and it only can be solved satisfactorily by a consistent and logical fuel policy, formulated and applied by the Dominion Government. The program is too big and expensive for any other body to tackle.

During the past century, the earth's fuel reserves have been consumed with ever-increasing rapidity until their depletion has become a matter of serious national concern. Even before the war, the consumption of fuel was increasingly rapid and the rate is likely to be accelerated after the war. The shortage in some classes of fuel is likely to continue to a greater or less extent after the war and the establishment of a national fuel policy to conserve our wasting assets is a matter of immediate importance. Economic possibilities may be summarized under conservation, reproduction, substitution.

Conservation. If the rate of consumption of a fuel can be reduced by greater economy in its use, rise of price will be retarded and the useful life of the deposits will be extended.

In the heating of buildings there are two main possibilities. The provision of effective insulation may reduce the fuel bill by 20 to 40%, depending on circumstances. Thick insulation may be used to advantage in some instances for storing heat during warm periods, thus acting as a sort of heat reservoir. Considerable savings have been claimed for this form of construction in the case of some hospitals and other large buildings.

The ordinary household furnace is comparatively inefficient, even when it is well operated, and therefore considerable savings could be made by erecting large and efficient central-heating plants which would also produce electrical energy by means of steam turbines, the exhaust steam being used for heating purposes.

During the last 40 years the maximum efficiency of large steam plants has been increased from about 15 to over 30%, thus halving the fuel bill, and internal engines frequently give still higher efficiencies.

Unless some entirely new working principle is devised, it is unlikely that postwar engines will differ very considerably in economy from the best of those at present in use. Some economy will probably be obtained by the use of lighter engines of smaller power than those at present employed in automotive work. This change was made in Europe 20 years ago and is long overdue in America—it is absurd to provide 85 to 100 horsepower to carry one person around. The possible employment of rocket or jet propulsion does not alter the general situation materially as, though higher speeds can be produced by this means, there is no evidence to show that such machines will be more economical than those used at present.

Reproduction. It is possible to grow some kinds of fuel at such rates that our stored resources may be spread over a longer period of time. Wood is not only important as a fuel for stationary furnaces and as a source of alcohol; it can also be used, either directly, or in the form of alcohol, to produce gas for transport purposes. For the past two years, experimental work has been conducted on producer gas by a Sub-Committee of the NRC, and a standard design and fuel specification for Canada have been submitted to the Dominion Government.

The Committee does not visualize the use of these producers for motor cars (although they have been installed on cars and even on motor cycles in Europe), but recommends their use on heavy vehicles such as trucks, tractors, buses and boats. These consume large amounts of gasoline, and the consequent saving will ease the general fuel situation.

Substitution. The quantity of fuel that can be grown annually falls far short of the rate of consumption in Canada.

Considerable fuel-saving by the increased use of electrical energy, or by the use of chemical action, is improbable unless some entirely new process is developed.

Probably the most attractive scheme for producing large quantities of liquid fuel is the Bergius hydrogenation process, in which soft coal is converted almost completely into gasoline. About 5 tons of raw coal are consumed for every ton of gasoline produced. The possibility of using this system in Canada was explored by the Dominion Department of Mines in 1938, and the yield of oil obtained varied from 154 gallons per ton from good bituminous coals down to 88 gallons per ton from dried peat.

The Department has recently recommended to the Reconstruction Committee of the House of Commons construction of a pilot plant costing $400,000 for experimental work in this field, and the United States is also taking similar action on a larger scale.

What Others Are Saying

Editorial of the Week

An Example NOT to Follow

The Winnipeg Free Press

The current situation in the U. S. offers a lesson and a warning to Canadians who are about to buy more Victory bonds this month. Many Americans hardly buy a bond before they sell it again.

In the fourth quarter of 1944, according to the United States News, 28% of bonds purchased by individuals were soon cashed at the bank in order that the bond buyers might buy goods instead. In the first two months of this year these sales of bonds had amounted to the staggering amount of 34.6% of the total purchases. More than a third of the bond buyers insisted upon getting goods for their money. In the same way corporations are showing a tendency to buy heavily of new government loans and then to sell their bonds to the banks.

The result is that United States banks now hold $96.5 billions of government bonds, or 40% of the outstanding federal debt. And bank ownership of bonds, of course, as the United States News observes, opens the way to an increase in the supply of money.

Here, in short, is the tinder of inflation and in such a situation the enormous amount of money clamoring for a limited supply of goods pushes up prices.

The lesson for Canadians is to buy bonds to the utmost of their capacity and then hang on to them so that the money may be spent after the war when goods are plentiful.

Other People's Views

OUR PACIFIC WAR POLICY should include detailing to the Pacific force active service volunteers who have not seen battle. Of these there are 61,500 in this country, says the **Winnipeg Free Press:** "If these men and the bona fide volunteers from overseas are not enough, there are some 20,000 draftees—out of a total of 35,000—who are physically fit and suitable for overseas service. Here is a force, in round numbers, of 80,000. Failing such changes it is by no means improbable that a policy which failed to meet the needs in Europe and which, last November, had to be replaced by conscription for overseas service, will fail again."

B. C.'s AMAZING INDUSTRIAL GROWTH jumped from $55 millions manufactured in 1932 to $223 millions in 1942, says the **Vancouver Sun:** "The rate today is probably close to $300 millions annually. In Vancouver alone, production was twice as much in 1942 as the total of all British Columbia 10 years before."

IF PROVINCIAL MINES MINISTERS can come together, as at Quebec recently, to talk over things they have in common, why can't other members of the nine cabinets do the same thing on other problems? asks the **Montreal Daily Star:** "There is none too clear an understanding of the different problems that present themselves to the provincial Departments of Agriculture, for instance. Farmers in Eastern and Western Canada do not always agree for the manifest reason that their problems differ and their interests sometimes clash."

CCF PLANS AND POLICIES retarding Saskatchewan's industrial development, says the **Regina Leader-Post.** Discussing federal government plans for turning over to private companies war plant and equipment, the Leader Post says: "The disposal of these plants and equipment afford the new enterpriser and the small company with an opportunity to get started in industry. It could be a very special opportunity for Saskatchewan. But will the individual, able and qualified, or the small company, venture their capital in a province in which the danger of expropriation and state competition is ever present; where the government is antagonistic to profits and is bent on taking the maximum of them, when they can venture that same capital in eight other equally suitable provinces where those hazards are not present? The answer of course is adverse to Saskatchewan."

BELATED PROGRESS IN REHABILITATION problems, such as setting up a Royal Commission to fit special abilities and training into suitable occupations, is reported by the **Windsor Daily Star:** "We are now perhaps on the threshold of demobilization, and we are just beginning to seek ways and means in an adequate manner. We have lagged unaccountably and inexcusably, and we can only hope that fortuitous circumstances will permit us to get ready before it is too late."

CNR's 1944 RECORD WAS AMAZING with 433 million tons of freight and 132 million passengers handled—more than 10 times Canada's population, says the **Saint John, N.B., Evening Times-Globe:** "About 4.4 million troops were carried in 6,500 special troop trains. During wartime, the system paid out $970 millions in wages to more than 97,000 men and women and this despite enrolment of 20,000 members in the armed forces."

CARRYING 156,884 PASSENGERS and flying 10 million miles was TCA's 1944 record, says the **Regina Leader-Post:** "Since its start TCA has operated successfully and efficiently, has been invaluable in the war effort and gives promise of being one of the world's greatest air services."

The Financial Post
Member Audit Bureau of Circulations

A weekly newspaper presenting in a popular manner reliable information respecting investments, business and national affairs in Canada.

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Montreal: Murray R. Chipman, eastern manager.
San Francisco—Duncan A. Scott & Co., Mills Bldg., Sutter 1393.
Los Angeles—Duncan A. Scott & Co., 448 South Hill St., Mich. 0921.

Published by
THE MacLEAN PUBLISHING COMPANY, LIMITED
481 University Avenue, Toronto 2

JOHN BAYNE MACLEAN, Founder and Chairman
HORACE T. HUNTER, President
FLOYD S. CHALMERS, Executive Vice-President
B. G. NEWTON, Vice-President

Subscription Terms: Single copies, 10 cents. Yearly: In Canada, United States, Mexico and British Empire, $5; all other countries, $6.
Advertising Rates: Single insertion, $4.20 per inch. Contract terms upon request.

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Alberta Briefs Advocate National Policy on Coal

Carroll Commission Hears Argument for Long-range Federal Money Assistance, Reduced Rates on Eastbound Freight, New Fuel Board

From Our Own Correspondent

EDMONTON — A national coal policy with long-range Federal Government assistance in money was the main recommendation before the Carroll coal enquiry when the three-man royal commission investigating the coal industry of Canada sat here last week. Four briefs were submitted, the three main ones being from the Alberta Government, Edmonton Chamber of Commerce and Northern Alberta Coal Operators Association.

The Government, in a 124-page brief, also recommended immediate reduction of freight rates for coal being shipped from Alberta to Ontario. It called for a substantial reduction "with provisions for flexibility to meet emergent or changing conditions." It asked for an investigation by the Royal Commission, the Board of Transport Commissioners and railways of "the present high basic $8 per ton freight rate on coal shipments from Alberta to Ontario."

All for National Policy

The national fuel policy was recommended in all four briefs, which declared such a policy would benefit Canada as a whole and not only the coal producing provinces. The Government recommended establishment of a continuously functioning national fuel board made up of representatives of the Dominion and provincial governments, the mining industry and miners.

Major function of the board would be to advise the Dominion Government on matters pertaining to subventions, freight rates, fiscal policies, and to co-ordinate the relationships of all phases of the coal industry in Canada. It also "would facilitate their harmonious operation without assuming administrative control or interfering in any way with the autonomy of the province or administration of matters pertaining to the coal industry within the provincial jurisdiction."

Ask Promotion

Promotion and extension of the use of Canadian coal as far as 'is "economically feasible" and the elimination of imported fuel oil for use on locomotives and its replacement by Canadian coal, should be part of the national policy, the commission was told.

Recommended by the Chamber of Commerce was that "in areas of Ontario, Quebec and Manitoba where the price of Canadian coal cannot compete with imported coal, the Dominion Government should pay the necessary subvention, either to the railway or coal producer to take care of the necessary diferential in laid-down costs." Such a policy should be made effective without change for at least five years.

The coal operators here also asked for long-range planning in the matter of subsidies. Unless they are assured of a continued and certain government subsidy, some mines in the Edmonton district may be forced to close down, in which case consumers in this area will have to buy imported coal to be fully supplied.

Say East's Turn to Pay

One brief noted that Ontario and Quebec would in the final analysis be paying the subsidy on coal, but "that the farmer and coal miner in Alberta have been paying since 1905 a bonus or subsidy on manufactured goods from Ontario and Quebec. This amounted to $18,698,248 in 1931 alone," the brief stated. A national coal policy should benefit all provinces instead of just Ontario and Quebec, it was argued. These provinces should contribute to the well-being of Alberta by assisting the coal industry of the province. In addition, benefits will accrue to Ontario and Quebec, as all machinery and supplies needed for an expanding coal industry would be purchased from them.

It was pointed out that the coal industry in Alberta is the only one capable of any sizeable expansion and that a stable and prosperous coal industry in Alberta will be of great benefit to the manufacturers and suppliers in eastern Canada through the increased purchasing power of the province.

Also recommended to the commission were a Canadian-U. S. reciprocal agreement on coal, standardization of quality of coal, large-scale experiments to establish industries using the by-products of coal.

The commission was told that the output of coal in Alberta between 1886 and 1944 was aproximately 200 million tons, less than one half of 1% of the known available reserves. At present production rates there is enough coal in Alberta to last 4,000 years.

BUSINESS THIS WEEK

THE FINANCIAL POST	Mar.	Feb.	Jan.	Dec.	Year Ago
PRODUCTION INDEX (1)	....	236.0	240.3	242.0	264.1
GOVERNMENT FINANCE (millions of $)					
National income, D.B.S.	....	707.6	736.6	766.3	738.2
Dom. war expend.	....	235.8	237.5	365.3	233.7
Dom. total revenue	....	137.7	230.7	139.8	266.7
Dom. total expend.	....	275.5	308.9	732.0	347.6
MERCHANDISING					
Dept. store sales index no. (1)	....	181.2	163.3	158.4	156.3
Retail sales index no.	....	146.8	143.1	237.4	139.0
Wholesale sales index no.	....	178.8	182.3	170.8	168.8
Country store (% change pr. yr.)	....	+3.4	+5.9	+6.7	....
FINANCE					
Dividend payment index (5)	136.7	133.3	130.0	129.0	127.9
Bank debits index (1)	....	....	192.7	171.5	171.6
Bank deposits index (1)	....	....	220.5	224.1	188.6
Money supply (millions) $)	....	....	6,075	6,168	5,615
NEWSPRINT % OF CAPACITY					
*Production ratio	68.6	70.1	71.5	68.8	65.6
*Shipment ratio	69.5	63.6	62.7	64.8	60.3
RAILWAY FREIGHT LOADINGS					
Tons (D.B.S. index)	....	197.8	198.2	180.5	206.4
Cars (D.B.S. index)	....	149.1	153.6	144.6	158.3
COST OF LIVING					
D.B.S. index	118.7	118.6	118.6	118.5	119.0
EMPLOYMENT INDEX, D.B.S.					
All industries	....	178.9	180.4	185.7	183.2
Manufacturing	....	215.0	212.7	220.1	227.3
Payrolls (June 1/41=100) (2)	....	....	138.1	152.1	140.4
*Payrolls (1937=100) (2)	....	211	210	224	209

RAILWAYS—(000's omitted)	1945-44	1944-43	1945-44 Jan. 1 to date	1944-43 Jan. 1 to date	% Change
*Carloadings (week Apr. 14)	70.7	68.0	982.2	1,016.2	—3.4
*C.P.R. gross rev. (Apr. 14)	5,966	6,185	85,329	86,827	—1.7
*C.N.R. gross rev. (Mar.)	37,046	37,858	100,843	104,828	—3.8
*C.N.R. net rev. (Mar.)	7,728	8,120	14,678	18,692	—21.5
C.P.R. gross revenue (Feb.)	23,159	23,793	47,248	47,728	—1.1
C.P.R. net rev. (Feb.)	1,751	3,040	3,413	5,878	—41.9
IRON AND STEEL (000's omitted) (Feb.)					
Pig iron production (tons)	149.5	141.9	305.5	274.0	+11.5
Steel production (tons)	250.0	229.9	519.2	472.0	+10.0
CONSTRUCTION (000's omitted)					
Contracts awarded (Mar.) $	19,651	31,019	44,306	56,031	—20.8
Building permits (Feb.) $	7,132	5,490	12,523	10,287	+21.7
*Cement prod., bbls. (Jan.)	172.0	176.2	......	......	....
AGRICULTURE (000's omitted)					
Flour prod., bbls., (Feb.)	1,892	2,088	3,960	4,129	—4.1
Flour exp., bbls. (Feb.)	1,032	854	1,872	1,979	—5.9
Wheat exp., bush. (Feb.)	7,356	20,811	12,519	38,084	—67.1
Cattle sales (Mar.) (4)	125.4	96.8	425.1	303.1	+40.2
Hog sales (Mar.) (4)	553.6	1,025.6	1,966.1	2,821.6	—30.3
SEA FISHERIES (000's omitted)					
Catch, cwts. (Dec.)	518	736	11,030	11,726	—6.0
Landed value (Dec.) $	1,802	1,803	41,636	36,951	+12.7
NEWSPRINT (000's omitted)					
*Production, tons (Mar.)	264	252	768	735	+4.5
*Exports, tons (Mar.)	267	232	716	669	+7.0
MINING AND OILS (000's omitted)					
Coal prod., tons (Feb.)	1,498	1,455	3,179	3,081	+3.2
Gold rec. (fine oz.) (Jan.)	233	256	......	......	—9.3
*Petroleum prod. (brl.) (Jan.)	881.8	837.4	......	......	....
ELECTRICAL POWER OUTPUT (000,000's omitted) Feb.					
Total monthly kw.h.	3,124	3,298	6,547	6,827	—4.1
FOREIGN TRADE (thousand $)					
Imports (Feb.)	112,373	138,370	242,058	264,739	—8.6
*Exports (Mar.)	301,175	282,682	768,037	751,862	+2.1
FINANCE (millions $1)					
Bank debits (Jan.)	5,070	4,512	......	......	+12.4
Bond sales (Feb.)	188	123	381	254	+50.0
Life insurance sales (Feb.)	49,339	53,193	97,714	110,212	—11.3
OTHER INDUSTRIAL FACTORS (000,000's omitted)					
Shoe prod., pr. (Feb.)	3.1	3.0	6.0	5.7	+5.1
Cotton consump., lb. (Jan.)	13.1	13.4	......	......	—2.2
Cigarette cons. No. (Feb.)	1,091	971	2,250	1,981	+13.6

(1) Base period 1935-39=100
(2) All industries
*New items for week
(3) Bank of Commerce est.
(4) Total at yards and plants.
(5) Nesbitt, Thomson, est.

Power Import Move Blocked By B.C. Govt.

Fear B. C. Electric Ry. Proposal Might Kill Initiative at Home

From Our Own Correspondent

VANCOUVER — An impasse has developed in connection with the B. C. Electric Railway Co.'s efforts to obtain additional power from the State of Washington as a result of the refusal of the provincial government to authorize the installation of power lines between the company's operations in B. C. and the Bonneville power project across the border.

The Government apparently takes the position that if such facilities are installed it will perpetuate British Columbia's dependence on foreign hydro power facilities and may discourage the development of waterpower resources in the province.

One comment is that the Government has been influenced by political considerations. "Politically it would be asking for trouble if the Government were to sanction such a move," a Victoria spokesman is quoted by the Vancouver News-Herald. "The coalition government would be placing itself in a vulnerable position on campaign platforms if it were party to a policy of sending out of the province large sums of money to support or build up a greater power industry in a neighboring state, while the power resources of this province lay undeveloped and our own citizens were thereby deprived of the attendant employment that should be rightly theirs.

Action of the Government in holding up authorization has been editorially condemned by some newspapers on the ground that the power is needed, and that under present conditions unless this additional power is made available industrial progress may be at least temporarily halted.

B. C. Electric points out that during the early months of the war application was made for the expansion of its Bridge River power facilities, but Ottawa refused to grant the authority at that time. While the company proposes to go ahead with Bridge River development as soon as possible, labor, materials and equipment are hard to get, and the necessarily heavy cost involved in present construction would have to be written into the rate structure and paid eventually by the consumers of power.

During a recent power shortage in Vancouver, the company did import to some extent over lines already in service.

Norbenite Malartic Mines has advised the Toronto Stock Exchange payment has been received covering an additional 245,000 shares under Aug. 10, 1943, and March 2, 1945, agreement outstanding to Draper Dobie & Co. Balance of agreement comprises option on 1,321,662 shares. Issued capital is 2,678,338 shares.

WHAT'S NEW IN BUSINESS

Extra Bathrooms will feature the new medium-cost Canadian home after the war, according to a Canadian Institute of Plumbing & Heating bulletin. It reports a greater-than-ever emphasis on ground floor powder-room with lavatory, water closet and mirror; says basement bathrooms will include showers and new home designs include children's nursery bathrooms.

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Anaconda's V-E Day directive cautions personnel in interests of plant and safety not to "whoop it up" until off premises, but managers and all telephone operators must stick to their posts for protective policing and shutdown of processes. Victory-in-Europe pattern for Anaconda American Brass is: newsflash brings immediate shutdown, and if peace comes Monday through Thursday, operations discontinue for the balance of the shift then working, plus 24 hours. If on a Friday, work won't start again until Monday morning. If on a Saturday, Sunday or holiday, reopening will be the second morning thereafter.

• • •

Shawinigan's Microscope is the first electron microscope to be installed by a private factory in Canada, is an RCA Universal model with direct, magnification of 20,000 diameters. It will help Shawinigan Chemical Co. improve the quality of acetylene black and synthetic resins. It magnifies photographic enlargements of objects up to 100,000 diameters as against a maximum of 2,000 diameters with any ordinary direct vision instrument.

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Paper Concrete Molds are one of the latest uses for a pulp product. Paper in tubular forms—a paperboard product—has been developed as a laminated spiral-wound mold for concrete piers on construction jobs.

• • •

Wholesale Trade in Canada during February of this year was 6% greater than it was last February, according to the Dominion Bureau of Statistics. This brings the unadjusted index of sales (based on 1935 to 1939) up to 178.8, compared with 182.3 for January, 1945, and 168.8 for February, 1944.

Ontario had the top gain with 10%. Lowest gain was in British Columbia, 3%.

Footwear and automotive equipment got the highest sales increases with a 15% gain each. Tobacco and confectionery sales were up 12%, and hardware wholesalers reported 8% more business. Only recession was in dry goods sales, which were slightly less than 1% below the February 1944 level and in clothing sales which were down 1%. Drugstores, grocery stores and fruit and vegetable stores recorded gains of 4, 5 and 6% respectively.

• • •

Bouncing Containers are being used in the war to land war equipment from planes without damaging the contents. These paper containers take the place of parachutes, and are made to absorb the terrific impact of hitting the earth from great heights.

• • •

Pig Iron Production was more than 20,000 tons higher in the first two months of 1945 than it was in the corresponding two months of 1944, according to a DBS report. Steel ingots and castings produced totalled 519,186 in January and February 1945, compared with 472,038 in the same period in 1944. In blast at the end of February, 1945, were nine furnaces equalling 79.4% of capacity.

• • •

Most Canadian Homes —nearly 70%—are lighted by electricity, DBS reports, on the basis of latest census returns, but the average doesn't tell the story. Only 20.2% of farm homes had electric light, compared with an urban average of 96.5%. In general, the bigger the community, the greater the proportion of electric light; 75% in cities with less than 1,000 population, up to 99.4% for cities with 30,000 or over.

Ontario had the highest percentage of electrically-lighted homes: 81.0%; lowest was Prince Edward Island's 27.9%. Of farm homes in Ontario, 37.3% reported electric light; of farm homes in Saskatchewan, only 4.9%.

Godsoe Gives Outline Of De-Control Pattern

Close of the European war will not immediately, of itself, bring any widespread relaxation or removal of raw material controls, J. Gerald Godsoe, chairman, Wartime Industries Control Board and Co-ordinator of Controls, warned when he addressed the Toronto Board of Trade club April 23. Speaking on Plans for Relaxing and Removing Controls, Mr. Godsoe indicated likely trends for commodities and civilian services, and these are summarized herewith.

Steel: Supply adequate a few months after Germany's collapse, but control on supply and use should be removed entirely as war programs decline. With available labor, war plants can partially switch to making articles with steel, and gradually washing machines, electric stoves will appear on market.

Metals: Restrictions should be removable on aluminum, zinc, copper, brass, nickel, and a free supply is in sight. Tin continues tight pending liberation of Far East mines which would resume production for us, not for Japs.

Chemicals: Gradual change in supply position, but heavies—sulphuric acid, chlorine and soda ash—should be in ample supply. Some plastics will ease, others continue short. Carbon black, in demand for processing rubber, and pigments will continue tight for some time. Quinine will be short until East Indies resume its import.

Rubber: Controls continue as long as crude rubber shortage, until Far Eastern sources of crude are recovered from Japs. Synthetic now produces enough in Canada for all Canadian needs, plus some exports. Tire shortage worse than six months ago, is due to increased enormous war needs and to critical shortage of carbon black. Only gradual relaxation of rationing controls is seen shortly after V-E day.

Coal: In short supply, next winter's outlook unfavorable regardless of war's end in Europe. Some European coal mines have been destroyed, will not get back to production right away, making liberated countries more dependent than ever on U. S. and U. K. imports, and since Canada will get less coal from her Allies, must await over-all world supply readjustment and continue controls to conserve and distribute coal equitably.

Lumber: Supply short, with no relaxation until Jap defeat. About 50% of our lumber, exported to Allies now for war, will go for civilian postwar needs, and at same time our brisk demand at home is being met. Essential domestic needs will be filled, and as war needs recede, other civilian needs, including construction, will be supplied.

Motor Vehicles: Even V-E day will bring no immediate relaxing of controls, though some easing sighted. Until volume production achieved, control of distribution will be needed to meet essential requirements, then controls can be abolished. Output of light trucks is being stepped up for essential civilian use—coal delivery, food transport and the like.

Construction: Controls continue after V-E day because of severe shortage still in lumber, bricks, concrete blocks, soil pipe, as well as stoves, furnaces and other products for new housing. Immediate postwar needs for 50,000 houses, war needs, hospitals, call for continuing controls, but construction otherwise disallowed will be permitted where labor surplus exists.

Transportation: Bus, taxi, truck and other public transportation services will get first break from improved gas, oil, rubber tires, and motor vehicle supplies. Rail travel congestion will go for some time after V-E day, but relaxations may come early in chair-car service, week-end fares.

Bourbon Mines has been formed by Vincent Mining Corp. to develop the Hatfield and Hyndman groups of 800 acres tying on to the east of MacDonald Mines in the Rouyn area, Que. The property is being prepared for diamond drilling which will be under the supervision of C. O. Stee, mining engineer. Directors comprise Norman Vincent, president; Robert Hughes, vice-president; R. LeLiever, secretary-treasurer; C. O. Stee and Glen M. Wilton, directors.

★

IN MONTREAL

Media Records reveal that grocery advertisers last year placed 2,670,378 lines of advertising in Montreal's four leading daily papers (two English — two French).

Checking further, we find that 45% of that linage went to ONE newspaper — The Montreal Star . . . !

All of which goes to prove that grocery advertisers not only *know* their groceries, but they know HOW and WHERE to pick a result-getting newspaper and a PROFITABLE market when it comes to spending media money in war-time.

The Star provides positive overflow coverage of Montreal's rich English market.

★

The Montreal Daily Star

"Canada's Greatest Newspaper"

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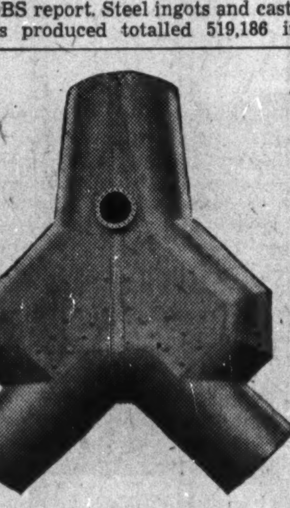

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Two Stories High
Weighs Ten Tons

No . . . this giant is not a traveller from another world. Actually, it is just a small section of the vast system of steel Blast Furnace ducts and piping, supplied by Toronto Iron Works to one of Canada's largest steel manufacturing plants.

Constructed to close tolerance, it is a good example of the large scale, intricate type of steel plate construction in which Toronto Iron Works specialize.

If you require light or heavy steel plate work . . . riveted or welded . . . designed, fabricated and erected . . . you can depend on the specialized ability of Toronto Iron Works. Consult us without obligation.

THE TORONTO IRON WORKS LIMITED
STEEL PLATE PRODUCTS
DESIGNERS, FABRICATORS, ERECTORS
TORONTO MONTREAL

LAST MONTH MORE UNDERWOODS WERE *Re-manufactured* THAN EVER BEFORE !

* NOT A MERE OVERHAUL BUT COMPLETE REBUILDING which gives you practically
* New SPEED
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* New APPEARANCE

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● There's a reason why more Underwood Typewriters than ever before are now being re-manufactured by the manufacturer: hundreds of Underwood users have had proof of satisfaction through actual experience. "Repeat" orders for additional factory-rebuilding establish that. See for yourself what Underwood re-manufacturing can do for your machines. Test a typical Underwood "factory-rebuilt." Phone your local Underwood Elliott Fisher office today.

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ROUTE OF THE FLAGSHIPS

The sensible way to insure the security of your business is to

give your business the benefit of
PLANNED DEVELOPMENT

We would like to sit down with you and have a two-way discussion on how we could work together with one common purpose — the planned development of your business.

Your business may be an established one, or as yet a "war baby." No matter which, there are hidden short cuts waiting to be uncovered that will increase your production and profits.

Our staff of registered engineers is trained in every phase of business operation and management. No hocus pocus. Plain and sane planning and engineering are the tools used to install workable and profit-increasing methods.

THERE IS NO LIMIT TO IMPROVEMENT IN BUSINESS

Canadian business as a whole faces problems of transition and new product development. The time for you to act is now.

This is our side of the story. Can't we get together and discuss both sides — yours and ours. A letter or call will arrange a consultation at no obligation to either party.

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INDUSTRIAL CONSULTANTS
66 KING STREET EAST, HAMILTON, ONTARIO

More Than $50 Millions In Building for Toronto

Construction Projects Planned For Toronto in Postwar Period Expected to Bring About Greatest Building Boom in City's History

Industrial, commercial and public building plans for Toronto now total at least $50 millions, according to K. S. Gillies, city building commissioner. This is exclusive of projected house building which will likely run into many millions more.

Included among planned projects are hospitals, apartments, schools, banks, theatres, concert halls, radio studios and office buildings. Present estimates for such work involve so many dollars that construction and real estate men in the city predict Toronto will experience the greatest building boom in its history immediately after the war.

Hospitals $13 Millions

The scheduled hospitals alone in the Greater Toronto area will cost $13 millions. The proposed $6 millions, 600-bed Hospital for Sick Children, the largest single project, is to be built in the new "hospital area" University Ave. east side, just below College St. It is believed that work on this hospital will begin within the next year. It will be one of the largest children's hospitals on the continent. Also on University Ave. will be the nine-story Mount Sinai hospital which its architects estimate will cost $1.5 millions.

Other hospital units planned include addition to St. Joseph's Hospital on Queen St.; Sisters of St. John the Divine, North York; a new wing at Wellesley Hospital; Salvation Army, Davisville Ave.; an addition to Queen Elizabeth Hospital, Dunn Ave.; a nurses' residence at Women's College Hospital; Oakville Hospital; Lake Shore Hospital, and St. Mary's Hospital, North York. Plans are also being made for a $1 million cancer clinic which will be erected in Toronto by the Ontario Government.

Schools, Apartments

It is estimated that $10 millions will be spent for the construction of hotels and apartments. They will be built on St. Clair Ave., Eglinton Ave. and the College-Bay-Yonge district. The largest of known projects will be the Carlton Apartment, Hotel just North of College on Yonge, estimated at $3,250,000.

The Toronto Board of Education plans to spend $10 millions for new schools, and the suburban and separate school boards also plan to spend millions. Projects at the University of Toronto, which will cost $5 millions, include a new chemistry and engineering building, new men's and women's residences, gymnasia and an addition to the Banting Institute.

New banks expected in the city will cost at least $3 millions. Some of them will be built on King near Bay, close to the Bank of Montreal's 16-story head office on which work was stopped in 1939. Construction will continue when materials and manpower are available. Two insurance companies also plan to erect new office buildings on Wellington St.

Big Movie Plans

Toronto's postwar theatre centre will likely be in the Dundas-Yonge area. Famous Players Canadian Corp. plans an office building on Dundas St. and a 2,500-seat theatre next door. At Dundas Square, 20th Century Theatres will build a $200,000 theatre, and in the neighborhood houses they plan theatres on Danforth, Avenue Rd., Kingston Rd. and Queen W. Other neighborhood theatres will be built by Famous Players and B. and F. Theatres. It is reported that new film exchanges will be erected by M-G-M and Odeon Theatres.

The CBC plans to go ahead with its $800,000 studio building on Yonge near Bloor, and the new "Massey Hall" which may embrace the Toronto Conservatory of Music might cost $2 millions. Half the cost will be raised by public subscription.

There will be a new business and warehouse district in the Fleet St. area at the foot of Bay St. and a furniture market which will cost $3 millions as well as a $600,000 truck storage depot will be constructed in that area.

COMPANY REPORTS

Jamaica Public Service

Electric sales for Jamaica Public Service Ltd. for 1944 benefitted from an increased number of customers, more lenient rationing and higher requirements for irrigation pumping. Sales totalled 26.2 million kw.h. in 1944 as compared with 21.2 millions in 1943. As of Dec. 31, 1944, the total number of customers connected was 16,100. During the year 500 new applications were deferred because materials necessary to make the connections were not available. Net construction expenditures were $571,800 in 1944.

An upward revision in income and excess profits tax laws was enacted in July, 1944, retroactive to Jan. 1, 1943. The Transportation Department slightly exceeded its record business of last year and revenue from sale of ice increased 17%.

An additional 205,480 Series D preference shares of Jamaica Public Service Co. were authorized in 1944 and 90,000 of these shares were sold.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Net earnings	$586,423	$541,838
Less: Int. & amort.	106,821	103,009
Retirement res.	100,000	100,000
Income taxes	116,845	82,397
Net profit	262,757	256,432
Less appropriations:		
Pref. divds.*	27,377	27,540
Pref. B divds.*	21,992	21,992
Pref. C divds.*	16,150	16,150
Pref. D divds.*	46,341	29,179
Common divds.	91,800	91,800
Surplus for year	59,097	69,771

*Jamaica Public Service Co.

Times Int. and Amort. Earned:		
Before retire. res.	5.49	5.26
After retire. res.	4.55	4.29
Earnings per Share and Dividend Record:		
Com. (new): Earned	$1.12	$1.20
Paid	0.68	0.68

Note: Figures converted from £ sterling at rate of $4.86⅔ to the £.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1944	1943
Cash & Dom. bds.	$319,009	$327,403
Accts. rec.	168,724	139,449
Inventories	359,149	236,040
Total curr. assets	846,882	702,892
Unamort. bond disc.	171,829	183,410
Misc. assets	82,011	79,476
Fixed assets	6,093,069	5,536,106
Total assets	7,193,791	6,501,884
Total curr. liab.	393,975	257,284
Def. cred., etc.	10,829	5,645
Retire., etc., res.	1,234,105	1,156,458
Sub. deb. stk.	1,778,105	1,807,743
Capital stock	3,104,650	2,667,250
Capital surplus	41,150	4,650
Earned surplus	636,277	602,904
Working capital	454,907	445,608

Canada Northern Power

The demand for power from Canada Northern Power Corp. declined slightly during the year, output being 546,581,153 kw.h. as compared with 568,162,306 kw.h. in 1943. There was an increase of 899 in the number of customers on Dec. 31, 1944, the figure on that date being 24,148.

Sales of electrical appliances were maintained in spite of the difficulty of obtaining supplies, sales during the year being $96,440 as compared with $108,890 in 1943.

As of Nov. 30, 1944, the fixed properties of the Northern Ontario Power Co., a subsidiary, were purchased by the Hydro-Electric Power Commission of Ontario for the sum of $12.5 millions par value of bonds of the Commission. As a consequence of the sale, all of the outstanding 5% 25-year collateral trust sinking fund gold bonds, series "A," of Canada Northern Power Corp. have been called for redemption on May 1, 1945.

The balance sheet shows a capital deficit of $2,458,054 representing net loss arising from the sale of the physical assets of a subsidiary company.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Net earnings	$2,568,594	$2,578,766
Less: Bond int.†	702,947	697,548
Depreciation	688,000	732,000
Income taxes	455,201	455,856
Empl. pension	26,000	26,850
Loss, sale of stores	62,902	......
Subs. pfd. divs.	65,965	66,789
Subs. com. divs.	822	2,125
Net profit	566,757	597,600
Less: Pref. divs.	385,000	385,000
Common divs.	240,000	240,000
Deficit for year	58,243	27,400

†Including exchange.

Times Bond Interest Earned:		
Before deprec.	3.65	3.70
After deprec.	2.68	2.65
Earnings per Share and Dividend Record:		
Pref.: Earned	$10.30	$10.87
Paid	7.00	7.00
Common: Earned	0.45	0.53
Paid	0.60	0.60

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1944	1943
Cash	$678,427	$777,878
Call loan	......	650,000
Accts. rec.	202,103	322,303
Mkt. securities‡	3,486,620	1,678,822
Co's bonds	705,802	1,085,862
Other invests.	384,084	384,084
Inventories	27,310	196,722
Total curr. assets	5,484,346	5,095,669
Misc. assets	40,378	232,134
Due from Ont. Hydro	12,537,010	......
Fixed assets	9,202,238	35,275,092
Total assets	27,263,972	40,602,895
Accts. & tax. pay.	482,275	497,741
Other curr. liab.	354,740	496,396
Total curr. liab.	837,015	994,137
Funded debt	13,368,500	13,744,500
Deprec. res.	3,920,226	13,995,239
Miscel. res.	169,544	216,643
Cap. stk. of subs.	1,136,544	1,303,530
Min. int. in surp.	......	1,294
Capital stock	7,648,798	7,648,798
Capital deficit	2,458,054	
Surplus	2,641,401	2,698,756
‡Market value	3,421,410	1,612,442
Working capital	4,647,331	4,101,532

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INTEREST PAYABLE FREE OF EXCHANGE AT ANY BRANCH IN CANADA OF ANY CHARTERED BANK
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It could have happened here!

YES, the bomb-torn, shattered homes, the shivering refugees... the ultimate miseries of war, could have happened right here on Main Street, Canada.

That such things did not happen here is due to the courage of our fighting men and the munitions of war bought with the money YOU invested in Victory Bonds.

But the final victory is yet to be won. Our part in the last crushing blow against our enemies is to buy 8th Victory Loan Bonds to the utmost limits of our resources... To make every dollar we have work for Victory today and a greater measure of prosperity and security in the peace to come.

BUY VICTORY BONDS

The Bank will place in safe keeping your Victory Bonds for a very small annual fee, and will clip the coupons each interest date, crediting the amount to your account.

IMPERIAL BANK OF CANADA

210

Future Saskatoon Bonds To Be of Serial Type

From Our Own Correspondent

SASKATOON — Saskatoon City Council has decided to use the serial or equal annual installment method instead of the sinking fund method in issuing future debentures. This decision was made on the advice of City Commissioner Andrew Leslie, who told the council that safe investment of sinking fund moneys was not likely to be possible except at low interest rates, that investors now preferred serial debentures and that a better price is usually received for serial debentures.

Although no public offering of debentures has been made by the city since 1931, if a substantial program of permanent improvements is to be undertaken after the war the greater part of it will have to be financed through debenture borrowing, it is expected. The city set aside $60,000 last year for an emergency reconstruction fund and has made provision for another $60,000 in this year's estimates, but a large-scale expenditure program would call for heavy borrowings.

Fanny Farmer Candy Shops, Inc. held its annual meeting in Rochester on April 10. All directors were re-elected.

BOOST BOND BUYING

HE Risks HIS LIFE

● A soldier risks his life; hour after hour and day after day, to do his duty. And a worthy soldier never quits because his objective is "almost" reached.

One Victory Bond ::: that *extra* bond you might buy if you would deny yourself; that small bond that may seem like a drop in the bucket to you ::: is so vital that it justifies *any* self-denial that you can make. Never have our fighting forces needed your financial support more than now.

Buy that EXTRA VICTORY BOND *Now!*

THE HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO

• The National Construction Council estimates that $300,000,000 will be spent in construction projects (exclusive of home building) in the immediate post-war period. Your Victory Bonds will pave the way to prosperity in Canada Unlimited.

* Source: as reported by National Construction Council

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YOUR VICTORY BONDS ARE JOB INSURANCE

F-239

YOU ASKED US—

The Financial Post will provide subscribers as quickly as possible the answers to specific questions about business, taxation, investments, wartime regulations and other subjects. The Post cannot undertake to make predictions, will not express opinions on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed.

INVESTMENTS

Can. Permanent Mortgage

To what do you attribute the recent strength in Canada permanent Mortgage Corp. stock? You might give me such information on this stock as you think important.

Canada Permanent Mortgage Corp. common stock is currently quoted around $173 bid to $175 ask. Investment dealers attribute the recent rise in this stock to the high yield obtainable on it in comparison with other stocks and to recognition of the company's sound position.

Net profit for the year ending Dec. 31, 1944, amounted to $705,609 as compared with $701,295 for the preceding year. Earnings per share amounted to $10.08 before, and $8.65 after, deducting $100,000 written off for office premises, as against $10.02 and $8.59 respectively in 1943. Dividends continue to be paid regularly at the rate of 8% per annum.

Debentures payable in Canadian funds increased to $27,190,661 from $26,440,757 at the end of 1943. Sterling debentures decreased to $3,446,386 from $5,446,602 at Dec. 31, 1943. Savings deposits were at $21,360,490 compared with $16,970,802 the year previously. Liquid assets were shown at more than 80% of deposits.

In November, 1944, the company purchased the Landed Banking and Loan Co. of Hamilton, Ont., and in 1945 purchased the business of the Real Estate Loan Co. of Canada.

Capitalization outstanding consists of 70,000 shares of $100 par value common stock.

INCOME TAX

Life Insurance Premiums

Are premiums paid on a life insurance policy deductible from income before computing tax?

No. Life insurance premiums are not deductible from income when computing tax. They may however, within certain limits, be deducted from the compulsory savings portion of the income tax payable for the year. On policies in force before June 24, 1942, on the life of the taxpayer, his spouse or dependents, the whole of the premiums is deductible up to the total amount of the compulsory savings. On policies taken out after June 23, 1942, on the life of the taxpayer only, half the first year's premiums may be deducted, with the whole premium deductible in subsequent years up to a total of $100 in any one year.

These "new" policies, to qualify for deduction, however, must be term insurance for a term of at least five years, or insurance in which the premiums are payable for the lifetime of the taxpayer, or for at least 30 years and until he is 65 years of age. The compulsory savings portion of the income tax is collectible for only half 1944 having been discontinued July 1 last year.

Filing Tax Returns

I have read in the newspapers that income taxes don't have to be paid until Aug. 31, 1944 instead of April 30. Does this mean that income tax returns don't have to be filed until Aug. 31 either?

No. Income tax returns must be filed by April 30 to avoid the penalties for late filing.

COMPANY REPORTS

Wool Combing Corp.

Wool Combing Corp. of Canada plant facilities at Acton operated during 1944 largely for civilian requirements. However, substantial military orders have been placed recently for delivery during 1945. It is expected that the plant's two shift capacity will be fully engaged until the end of the current year and earnings above current dividend rate requirements appear assured for this period, The Right Hon. Lord Barnby, president, states. The liquid position of the company is satisfactory and sufficient funds are available for the expansion program contemplated for the postwar period.

INCOME ACCOUNT

Year Ended Dec. 31:	1944	1943
Net earnings	$200,538	$231,232
Less: Deprec.	50,496	97,573
Income taxes♦	81,000	*69,007
Net profit	69,042	64,652
Less: Dividends	25,000	15,000
Surplus for year	44,042	49,652
♦Incl. ref. EPT of	6,828	4,876

*Adusted

Earnings per Share† and Dividend Record:		
Com.: Excl. ref. EPT	$1.38	($1.29)
Incl. ref. EPT	1.52	(1.39)
Paid	0.50	▲8.00

†Based on present capitalization for comparative purposes. ▲On old stock, equivalent to 30c. per sh. on present

CONDENSED BALANCE SHEET

As at Dec. 31:	1944	1943
Cash & Dom. bonds	$233,310	$184,637
Accounts rec.	37,851	59,422
Inventories	22,863	20,678
Total curr. assets	294,024	264,737
Misc. assets▲	28,462	3,574
Fixed assets	543,684	487,901
Total assets	866,170	756,212
Total curr. liabs.	72,887	55,157
Depreciation res.	330,149	282,816
Mortgage pay.	45,000	50,000
Capital stock	250,000	250,000
Surplus▲	168,134	118,239
▲Incl. ref. EPT	12,503	......
Working capital	221,137	209,580

Dom. Steel & Coal

Based on ingot production, the rate of operation of the Sydney steel plant of Dominion Steel & Coal Corp. for 1944 was practically the same as for the previous year, viz., 81%. A decline in demands for products during the earlier part of the year caused a curtailment of production in that period. All subsidiary plants operated at practically full capacity.

The operations at Wabana Ore Mines was practically confined to the production of ore for Sydney plant, as due to inability to obtain ships, only 27,310 tons were exported. Satisfactory results are being obtained from the ore benefication plant and the open hearth mixer, which came into operation during the year.

Extensive research was started during the year in connection with the preparation of coal to improve the quality of coke and the recovery of by-products. The program will extend over two years and it is anticipated that valuable information will be obtained resulting in improved operations, A. Cross, president, states.

Title to the plate mill at Sydney is to be transferred to the Dominion Government as of Dec. 31, 1944, and the accounts have been adjusted accordingly.

CONS. INCOME ACCOUNT▲

Years Ended Dec. 31:	1944	1943
Net income†	$4,677,158	$4,773,108
Less: Deprec.	2,772,015	3,080,991
Bk. & loans int.	338,493	283,806
Subsid. bd. int.	115,845	130,425
Inc. bond int.	275,500	275,500
Net profit & surplus	575,305	1,002,386
Times Inc. Bond Interest Earned:†		
Before deprec.	13.15	15.82
After deprec.	9.00	4.04

†After income taxes, amount not stated.
▲Not including Dominion Coal and Nova Scotia Steel.

Earnings per Share and Dividend Record:		
Com., Cl. B	$0.55	$0.96
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1944	1943
Cash	$2,227,487	$1,232,047
Investments	2,108,182	832,360
Accts. rec.	10,074,844	11,267,735
Inventories	11,763,463	14,743,898
Total curr. assets	26,173,976	28,076,040
Invest. in subsids.	9,192,577	9,188,633
Misc. assets‡	3,382,090	3,192,689
Fixed assets*	24,994,302	28,488,147
Total assets	63,742,945	68,945,509
Bank loan	3,600,000	6,175,000
Accts. pay.	3,269,327	4,730,507
Other curr. liab.	596,921	568,105
Total curr. liab.	7,466,248	11,473,612
Bk. loan re empl. bds.	1,347,250	1,097,353
Def. payments	1,935,191	3,457,716
Funded debt	7,016,000	7,463,000
Replacement res.	1,509,505	1,509,555
Oper. & cont. res.	3,874,172	3,371,279
Capital stock	25,977,075	25,977,075
Capital surplus	6,543,729	6,543,729
Earned surplus	†8,073,775	8,052,190
*After depr. of	22,138,902	21,181,758
Working capital	18,907,728	16,602,428

†After deducting $553,721 resulting through renegotiation of government contracts affecting prior years.
‡Including $1,509,555 in 1943 and $1,509,505 in 1944 insurance recd. re property lost by enemy action and set up as replacement reserve.

Calgary Power Co.

Retained net profit for Calgary Power Co. for 1944 amounted to $455,355 as compared with $432,586 for 1943. After all payments there remained $101,355 which has been added to earned surplus account. Capital account expenditures amounted to $312,111. Net increase in capital assets was $172,075. Gross revenue from operatons was $3,608,051 as compared with $3,470,991 in 1943.

CONS. INCOME ACCOUNT

Years Ended Dec. 13:	1944	1943
Total net earnings	$2,219,081	$2,361,012
Less: Deprec.	686,634	684,051
Interest & exch.	629,457	671,175
Income taxes♦	406,182	531,746
Bond disc. amort.	41,453	41,454
Net profit	455,355	432,586
Less: Pref. divds.	354,000	354,000
Surplus for year	101,355	78,586
♦Incl. refund. EPT	16,066	43,302
Times Interest and Exchange Earned:		
Before deprec.	3.53	3.52
After deprec.	2.43	2.50
Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$7.72	$7.33
Incl. ref. EPT	7.99	8.07
Paid	6.00	6.00
Com.: Excl. ref. EPT	2.90	2.25
Incl. ref. EPT	3.35	3.48
None paid.		

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1944	1943
Cash	$74,417	$64,324
Accts. rec.	471,171	582,063
Inventories	242,751	252,134
Total curr. assets	788,339	898,521
Investments	1,530,394	1,530,393
Guar. deposits	196,526	73,079
Deferred chgs.▲	1,166,181	1,335,668
Franchises, contr., etc.	830,318	830,318
Water rights	383,355	383,355
Fixed assets	24,077,443	23,905,368
Total assets	28,972,556	28,956,702
Bank loans, etc.	1,500,000	520,000
Accts. & tax. etc. pay.	953,133	891,256
Accr. bond int.	109,235	120,210
Total curr. liab.	2,562,368	1,531,466
Funded debt	9,873,500	11,629,500
Deprec. res.	5,920,856	5,303,462
Other reserves	560,714	554,577
Capital stock	9,400,000	9,400,000
Capital surplus	100,000	100,000
Earned surplus▲	555,118	437,697
▲Incl. refund. EPT	59,368	43,302
Working capital‡	1,774,029	632,945

‡Excess of current liabilities over current assets.

Beach Foundry Ltd. reports 1944 retained net profit of $17,249 after $11,499 taxes. This compared with $28,000, after $20,789 taxes in 1943. Current assets totalled $299,716 against $180,335 current liabilities. Total assets amounted to $1,260,715. During the year the company paid the regular 5% dividend on the preferred stock plus a 5% bonus in accordance with Dec., 1942 arrangement. Provision has been made for income and excess profits taxes in amounts considered to be sufficient, but this provision is subject to final determination by income tax authorities.

DIRECTOR

W. H. Reid becomes a director of Spitzer & Mills Ltd., advertising agency, at Toronto. He is general manager of the firm.

Quebec Raises Prices At Liquor Stores

MONTREAL—The Quebec Liquor Commission has raised prices on all alcoholic liquors sold in liquor commission stores by one cent an ounce, effective immediately. Inasmuch as the Government has announced it will abolish the 2% sales tax, actual increase in prices—after elimination of the sales tax—will be one cent an ounce, less 2% of total purchase payment.

The Government indicated that it planned to make up the $13 millions loss of revenue from abandonment of the sales tax through special taxes on luxuries—and presumably increased prices for alcoholic beverages is part of this program.

BUY AND HOLD VICTORY BONDS

Further Gains by C-I-L Predicted by Huggett

MONTREAL (Staff)—"If we in this Dominion approach the tasks that lie ahead with the confidence, imagination and enterprise that we have proved we possess, solutions can be found for the difficulties that loom so large today. Given individual freedom to invent, to produce and to sell, I am convinced that succeeding years will show that Canada has so far only tapped the reservoir of those resources that ultimately determine a nation's progress." This view was stated by president George W. Huggett at the annual meeting of Canadian Industries Ltd.

No Reconversion Problem

Mr. Huggett stated that Canadian Industries is not faced with extensive reconversion of its plants, but consumption of some of its products may be adversely affected during the period when industry is changing from war to peace production.

The chemical industry in peacetime, he said, is largely concerned with supplying the needs of other manufacturing industries, which in turn depend on a sustained demand for their products in domestic and foreign markets. Any attempt to estimate these needs must take into consideration many factors which are subject to sudden changes and which at all times are difficult to predict.

Canadian Industries has been giving much attention to research work and will continue to promote the highest possible level of consumer demand. After the war a more extensive research program is planned than ever before attempted.

In addition to plans for major additions to the company's nylon and "cellophane" plants, already announced, other projects are being actively considered, it was stated.

Sales Up 201% in 15 Years

Mr. Huggett noted that between 1929 and 1944 C-I-L's gross investment in plants, buildings, equipment and land increased by $25.9 millions to $44.5 millions, sales increased by 201%, selling prices of company's products averaged 14% lower than in 1929 though the national wholesale index was up 7%, net income after taxes was 4% lower than in 1929, despite expanded activities.

Mr. Huggett deplored efforts of those engaged in a struggle for political power "to create an attitude in which so much stigma is attached to those who make a large contribution to the growth and development of productive resources that mediocrity becomes almost a virtue."

There are those today, he continued, who appear to regard the productive resources of industry as the prize, and individual companies as the pawns, in the struggle for political power.

As regards reinstatement of employees on national service, Mr. Huggett said the company planned to go beyond the letter of the law, and would attempt to utilize the services of returned employees in capacities best suited to their aptitudes, giving individual attention to each case.

Premier Laundry Ltd. net profit for 1944 amounted to $4,037 as compared with $3,300 for 1943. The exceptionally large volume of work handled for the armed services in addition to regular civilian patronage has considerably decreased the life of much of the company's equipment, but owing to wartime restrictions it has been impossible to secure necessary replacements. These conditions are responsible for the improvement of the current position, Leo Smith, president, states. Working capital was $46,769 at Dec. 31, 1944. Funded debt was reduced during the year by $4,615 and the reserve for redemption of bonds increased by $3,366 to $15,627.

Harricana Gold Mines Inc. (1939) has advised the Toronto Stock Exchange that payment has been received covering 425,000 shares, comprising the whole of Aug. 14 installment and 225,000 shares on account of Nov. 30 installment under Feb. 14, 1944, agreement, as amended, with Darien Mining Syndicate Ltd. Balance of agreement comprises option on 375,000 shares. Issued capital is 3,088,224 shares.

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PLAN AHEAD
The government of Canada has announced plans to finance much of the war expenditure out of current revenue. War taxes of various sorts are being imposed. To meet them the first step is to save systematically. Open an account with this Corporation and be ready when the government calls.
2% on Savings—Safety Deposit Boxes $3 and up —Mortgage Loans.
CANADA
PERMANENT
Mortgage Corporation
Head Office, 320 Bay St., Toronto
Assets Exceed $64,000,000

CAN'T HELP WONDERING...

WHY anybody back home has to be asked to buy a Victory Bond!
Maybe if you were crouched here waiting . . . wondering if some bullet had your name on it . . . you'd see things different! Be mighty glad to lend your last dollar to wind up this grim business in a hurry . . . and get back to a sane way of living again!
8
"Invest in the Best"
BUY VICTORY BONDS
CHARTERED TRUST AND EXECUTOR CO.
34 KING ST. W., TORONTO, ONTARIO

Invest in the Best
Buy
8
8th Victory Loan Bonds
BRITISH AMERICAN
BANK NOTE COMPANY
LIMITED
OTTAWA MONTREAL TORONTO

. . . with but a single thought

"We know there is still an enemy and while there is an enemy there can be no peace.
We know that today, as yesterday, and many yesterdays, we must press forward.
We know full well that complacency is a snare and a serpent.
We know that the game is not won until the last man is out . . . The race is not won until the runner breasts the tape.
We have not quit. We will not quit until FULL Victory is ours."
A Soldier's Creed

"We know that ours is the lesser role for we cannot play a sailor's, soldier's, airman's part.
We know that it is dangerous to say or think 'the end's in sight so let's relax and take things easy.'
We hold what we have and we have the Bonds of seven Victory Loans. Today we buy our eighth.
We have not quit. We, too, go on until FULL Victory is ours."
A Civilian's Creed

INVEST IN THE BEST
BUY VICTORY BONDS
Northern Electric
COMPANY LIMITED
AND ITS EMPLOYEES
A NATIONAL ELECTRICAL SERVICE
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All Grades Feed Barley
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BULK or SACKED

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Overseas Need Draws Grain From West Oats Assume Major Role in Shipments

From Our Own Correspondent

WINNIPEG—Under insistent overseas pressure for supplies of Canadian grain, the Canadian Wheat Board, the railways and the grain trade are putting forth every effort to make sure that every possible bushel is transported to the seaboard for export either milled or unmilled.

The railways have recovered a considerable number of cars previously lost to eastern Canada and to the United States, and have been able to step up the rate of loading at country elevators.

To some considerable extent the Wheat Board is directing the assignment of the cars to make sure that farmers at points where elevator congestion has prevailed will be able to dispose of farm-stored stocks before the beginning of a new crop year.

Otherwise the movement is largely left to the discretion of the railways in order that the handling of cars may be in accordance with operating convenience so as to produce the maximum possible movement. Only a continuous flow of grain to the lakehead and by vessel down the lakes to eastern terminals will keep sufficient supplies moving to fill the anticipated demand at seaboard.

But with slackening of need for transatlantic shipment of munitions and of men it is expected that ocean tonnage will be available to move great quantities to Britain and to Europe within the next few months. The fact that other supplies of food are short increases the demand for cereals to fill insistent needs in Europe. To the fullest possible extent these are being filled with milled grain, for, to such an extent has milling capacity overseas been destroyed or impaired, that reliance for a long time to come will have to be placed on the capacity of Canadian mills.

Oatmeal Grows Popular

A recent development of interest has been the demand for Canadian oats in Britain and the continent. To some extent this is for livestock feed, but also to a very large extent for human food. Relief authorities, it is reported, have come to the conclusion that a supply of rolled oats is as useful as, and in many respects more useful than, an increase in the flour ration in relieving hunger. It is understood that there is a demand for all Canadian oats and rolled oats that can be transported. Earlier during the war the transport of a bulky commodity like oats, rolled oats or oatmeal was considered to be an extravagant use of shipping space as compared with heavier commodities such as wheat or flour. The new demand reflects the expectation of improved shipping.

Wheat and flour sent to Great Britain are furnished by the Canadian Wheat Board, and the problem of financing purchases is covered by arrangements between the governments of Canada and Great Britain. In the case of oats the grain has to be obtained from the Canadian trade, as the Canadian Wheat Board does not handle this grain. Another Canadian government agency, however, under the Department of Trade and Commerce comes into the picture, and pays the Canadian trade for oats required. Then, these are turned over to the British authorities.

* * *

Belgian Surprise

Something of a surprise was occasioned the other day when the Government of Belgium came into the Canadian market and bought and paid for certain quantities of wheat, oats and rye. for direct shipment to that country. The Belgian Government has for a considerable time been the owner of quantities of barley which have remained stored in Canada pending an opportunity for shipment.

* * *

The increased demand for oats has led to rescinding of an order limiting the shipment of such grain issued by the Canadian Wheat Board which remained in effect for only a brief time. They required that for every carload of oats shipped from any country elevator to terminal elevators, two carloads of wheat should be shipped from the same elevator. Now, elevator companies may load grain at their discretion. The change is regarded as fortunate in respect to encouraging adherence to the government's program for an increase in oats acreage this year. It enables farmers to market more of the oats in store on farms, and offsets nervousness, formerly widely prevailing, as to difficulty in marketing oats during the coming crop year. All elevator companies are now buying oats in the country on a narrow margin, and because of the prevalence of ceiling prices, on a basis that does not provide carrying charges when oats have to be held in storage for any considerable time. Consequently the ability of the elevator companies to continue buying oats is contingent upon their ability to make continuous shipments, more than upon the existence of empty space in elevators.

Purity Flour Is Operating At Capacity

Plants of Purity Flour Mills Ltd. (formerly Western Canada Flour Mills Co.) have been operating at capacity in the current year to date and capacity operations are expected for the balance of the fiscal year ending July 31, 1945, The Financial Post is informed. Both domestic and export sales of flour are being well maintained.

From present indications it is thought that operating results for the current fiscal year will show approximately the same as in the 1943-44 fiscal year. Earnings per share of the new $2.50 preferred stock for that year were $4.27 excluding or $5.13 including the refundable portion of Excess Profits Tax. The second quarterly dividend of 62½ cents per share on the new preference shares will be paid May 1, 1945.

The company's subsidiary, Purity Baking Co. has discontinued its retail bread deliveries in Toronto and is now delivering only on a wholesale basis in Toronto, Vancouver, Calgary and Winnipeg and all their horsedrawn vehicles have been discarded. Purity Baking intends gradually to overhaul all their facilities, The Financial Post is informed. Baking equipment is a little easier to obtain and the company expects to have two new mixers installed shortly. The company hopes that these moves will result in a saving in its operating costs.

Monarch Knitting Pref. Offer Open 30 Days

Preferred shareholders on Monarch Knitting Co. have 30 days from April 21, 1945, during which they may exchange their 7% preferred shares for new 5% preferred and 4% debentures in accordance with the terms of the plan of capital reorganization, The Financial Post is advised. Following approval by the Court of the plan on April 14, supplementary letters patent, dated April 21, 1945, were issued confirming the arrangement. (See The Financial Post, Mar. 31, 1945.) The 30 day period may be extended at the option of the directors. Payment of $1.91 2/3 on account of arrears on the preferred stock, as provided for in the plan, has been declared for April 27, 1945.

Can. Retail Federation Re-elects P. K. Heywood

At the third annual meeting of The Canadian Retail Federation held this week in Toronto, P. K. Heywood was re-elected president. Geo. S. Hougham continues as secretary-treasurer. Vice-presidents elected are: H. R. Renault, H. W. Wylie, W. E. S. Bryan, R. T. Hartt and A. L. Huot.

BOOST BOND BUYING

RE-ELECTED

P. K. Heywood, re-elected president of the Canadian Retail Federation.

Sask. To Forgive More Seed Debt

From Our Own Correspondent

REGINA — Further concessions to farmers indebted for seed grain advances are planned by the CCF Saskatchewan Government, Municipal Affairs Minister J. H. Brockelbank has announced. These will cancel seed grain indebtedness for the years 1935, 1936 and 1937, a sum involving approximately $15 millions.

The government has already gone a long way in concessions over seed grain debts for other years. By legislation at the last session, the government cancelled seed grain debts for various years from 1918 to 1934, involving over $1 million; and for the year 1938, involving $7,750,000.

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Coolers — Sharp Freezers — Freezers
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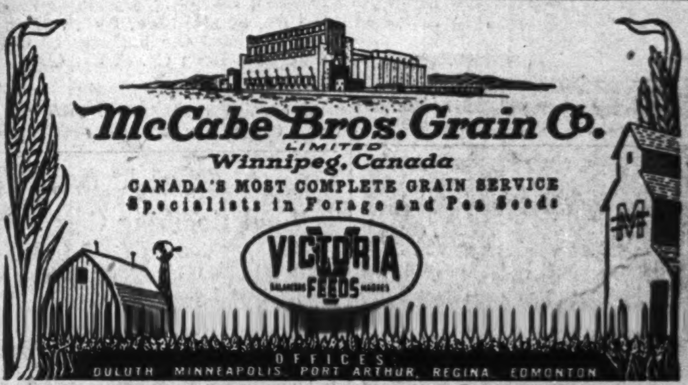

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LIMITED
Winnipeg, Canada
CANADA'S MOST COMPLETE GRAIN SERVICE
Specialists in Forage and Pea Seeds
VICTORIA FEEDS
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Terminal Elevators at
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Port Arthur
Offices: Calgary and
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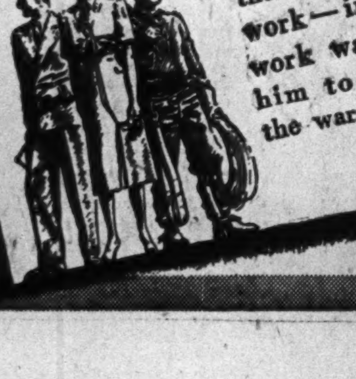
AFTER VICTORY, WE'LL STILL BE
Busy as Bees

It all means
PEOPLE AT WORK

Canada's peacetime expansion will call for the efforts not only of all our present workers, plus the more than 2,400 employees in uniform, *but many more besides.* Every Bell worker, at home or overseas, knows there is permanent work—important work waiting for him to do after the war.



THERE'S *lots of work to be done.* We are eager to get at it . . .

The war interrupted the normal expansion of Bell Telephone service. As telephone materials grew scarce, more and more people had to wait their turn. Today, the waiting list is nearly 70,000.

Just as soon as men and materials are again available, these deferred applications will be filled. Work will be resumed on conversion to dial telephones, on rural expansion, on extension and improvement of present services, on rebuilding our normal back-log of reserve equipment.

THE BELL TELEPHONE COMPANY OF CANADA

On Active Service... Giving Wings to Words!

Little Strokes
Fell Great Oaks
—*Benjamin Franklin*

Time after time the axe must bite into the trunk before the mighty oak comes crashing down to earth. Your purchase of Victory Bonds, small though it may seem, when added to those bought by the thousands of other Canadians, will roll up the vast total required to finish the war and begin the job of reconstruction.

No one must shirk his task. Only with the fullest effort of each individual will the new high objective for Canada's Eighth Victory Loan be reached.

INVEST IN THE BEST
Buy Victory Bonds
8

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Mutual Insurance Company
ORGANIZED IN 1896

Admitted Assets... $5,024,159.53
Surplus 2,678,420.06
Dom. Govt. Deposit 2,450,734.89
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TORONTO

Mutual Insurers Claim Different Category From Commodity Co-ops at Tax Enquiry

By GORDON L. SMITH

OTTAWA — Nonlife insurance companies last week came before the Royal Commission on Taxation of Co-operatives and Mutual companies, now concluding its final session of public hearings. Argument was largely legal and there was little or no indication up to the middle of the week at least, what recommendations the commission might make. This battle between mutual and joint stock insurance companies is not new and, unlike the commodity co-operatives which so far have been largely on the defensive before the commission, the mutual insuring companies attacked as well as defended.

Early in their evidence the mutuals made it clear that they were not in the same category as the commodity co-operatives. They claimed to be older and stated that their interests were more general in that there was no definite split in their ranks between consumer and producer. They maintained that they were entirely member-owned and in the event of winding up or in actual operation there could be no clash of interests.

Four Types of Mutuals

Four types of mutuals came before the commission: reciprocals, factory or industry insurers, farmers mutuals, and cash mutuals. The first two do business largely on the deposit basis, the third a combination of minimum deposits to cover average losses plus promissory notes which can be called upon in an emergency and the cash mutuals on both a cash and premium note basis, mostly the former.

Most of the factory or industry mutuals appearing before the commission were branches of American companies or groups and some of them have been in existence for over a century. The reciprocals represent a more recent development and generally are groups of large companies which band together to carry their own insurance.

Both the mutuals and reciprocals, according to the evidence, operate in the same general fashion. Members make heavy deposits to cover the insurance desired for the coming year. In many cases this deposit is equivalent to about 10 times the normal premium rate. At the end of the year, or the period insured, actual cost of insurance is deducted and the remainder of the deposit either returned to the member or credited to his account on further insurance. The money deposited is invested by the insurance company and income earned on that credited to the member.

In cross-examination and in their brief, the joint stock nonlife insurance companies argue that the mutuals provide the same sort of business service as any privately owned insurance company and should be taxed the same way. They challenge the claim that the members of the mutual companies actually control these companies and that every bit of profit or saving is returned on a pro-rata basis to the members.

In cross-examination, too, they claim to have disclosed some irregularities, in one instance alleging that a mutual group actually controlled and financed what amounted to a straight joint stock company doing a business for profit. Their main contention, however, was that what the mutuals claim to be a net saving for their members, should be treated by the tax authorities as a profit and taxed as such.

In cross-examination, following the presentation of the brief from the joint stock non-life insurance companies a spokesman for the latter stated that there was no quarrel with the farmer's mutuals. The main reason for this exclusion, he said, was that the farmers' mutuals were more truly mutual than any other type and by their promissory note method of doing business they accepted full financial responsibility for losses. From the practical standpoint, too, he said these farmers' mutuals operated almost exclusively for farmers and with a risk that they were especially qualified to handle and ordinary insurance companies were not.

Misrepresentation, Counterclaim

In their counterclaim some of the mutuals charged that the facts regarding underwriting profit, liable to or exempt from income tax, had been misrepresented to the public in the Dominion Insurance Blue Book, and that in a true mutual insurance company there can be no profit. They also claimed that the income tax charged to shareholders' profits in the ordinary joint stock insurance company do not directly affect premium rate levels charged to policyholders and "are not an element in competitive premium rates." Finally some of the groups charged that the present rate of premium tax, whereby mutuals pay 3 or 4% respectively and joint stock companies 2% is discriminatory.

Spokesmen for the cash mutuals said they had no objection to paying taxes if the authorities decided such was necessary but they did not want to be placed at a disadvantage with foreign competition. It was pointed out that if Canadian mutuals were taxed on investment income, a major source of revenue, and if similar foreign mutuals operating in Canada were not, the situation would be unfair.

With the insurance briefs cleaned up the commission this week was ready to hear the major combatants in this whole tax dispute, namely the private grain trade and the grain pools. Briefs and cross-examination are expected to last a full week. This will conclude the public hearings of the commission but its report is not expected to be ready much before midsummer.

DIRECTOR

J. G. Lorriman joins the board of Eastern Steel Products Ltd., Preston, Ont. He is manager of its Ontario division.

Textile Mills Face Problems

MONTREAL (Staff)—New problems have developed for the Canadian cotton textile industry, W. G. E. Aird, vice-president and managing director of Montreal Cottons, Ltd., stated at the company's annual meeting.

Gradual reduction in Government demands has simplified production problems, but the increase in proportion of the total production that is available for civilian use brings the industry up against future difficulties, to be solved. The company is forced to sell its products at ceiling prices based on 1940 schedules, Mr. Aird explained, while costs under wartime conditions have jumped, with hourly labor earnings in the Montreal Cotton mills up 60% above pre-war rates.

Direct war orders from the Government have fallen to a point where they represent only 20% of the company's total production, though this figure does not include additional millions of yards shipped to secondary manufacturers providing supplies for the armed forces.

Total production for the armed forces since beginning of the war now amounts to almost 65 million yards, representing consumption of 57,000 bales of cotton, Mr. Aird said. An additional 20 million yards of grey cloth made by other mills in Canada, England and the United States have been processed for the services by Montreal Cottons to date.

Mr. Aird reported a continued lack of adequate skilled labor—stated to be the greatest factor limiting production—but added there had been some improvement in labor turnover compared with earlier war years.

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MONTREAL QUEBEC

Craibbe-Fletcher Gold Mines advises that a drilling contract has been let and work is expected to start on its Red Lake property sometime in May. A geophysical survey was completed recently and results of findings are expected shortly. As at Dec. 31, 1944, current assets totalled $17,905 as against current liabilities of $272.

BOOST BOND BUYING

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Insurance Reports

Surety Companies

(Dominion and Provincial Licensed Companies Experience in 1944)

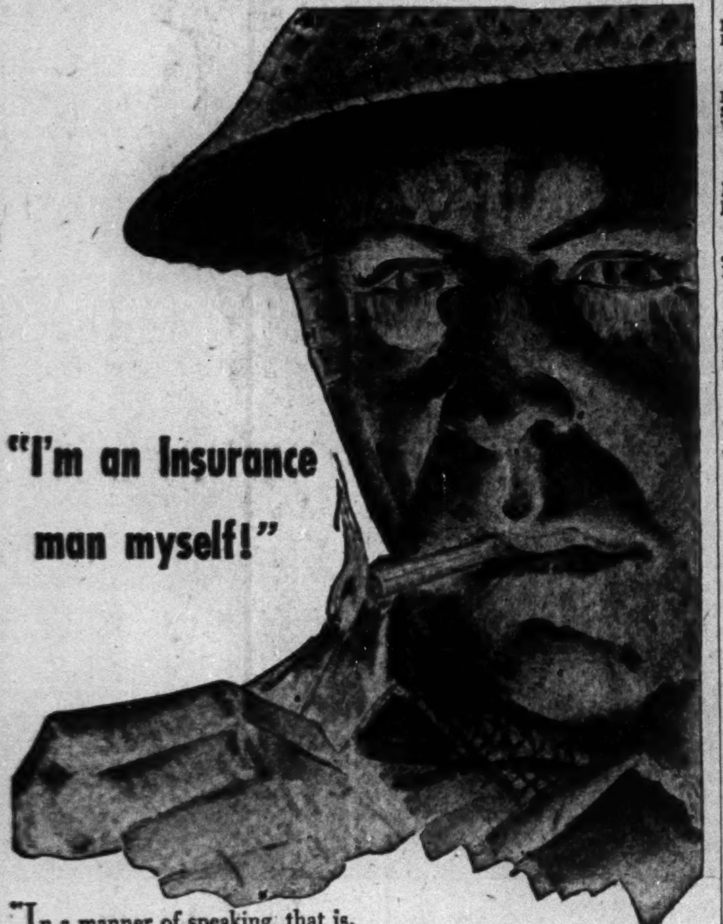
(A)—Group Experience

	Net premiums written $	Net losses incurred $	Ratio %
British America-Western			
British America .	10,291	—139	....
British Candn. ..	2,883	—43	....
British Empire ..	2,300	—32	....
Imp. Guar. & A.	5,517	—85	....
Western Assur. .	7,960	—376	....
	28,951	—675	....
Canadian Fire			
Canadian Fire ...	9,283	—97	....
Can. Indemnity .	52,120	179	0.34
	61,403	82	0.13
Canadian General			
Canadian Gen. ..	67,705	—376	....
Toronto General .	55,395	—209	....
	123,100	—585	....
Canadian Surety			
American Surety.	6,160	2,576	41.82
Canadian Surety.	67,737	—1,870	....
	73,897	706	0.95
Dominion of Canada			
Cas. Co. of Can. .	1,084	1,237	114.11
Dom. of C. Gen.	8,851	2,815	31.80
	9,935	4,052	40.79
Commerce			
Can. Mercantile .	1,996	....	....
Commerce Mutual	2,046	....	....
Ocean A. & Guar.	7,848	—6,044	....
	11,890	—6,044	....
London & Lancashire			
Law Union & Rk.	95	—1	....
Lon. & Lanc. Gr.	8,268	—763	....
	8,363	—764	....
Northern			
Northern Assur. .	1,600	44	2.75
Scotish Metrop. .	185	....	....
World Marine ..	18	....	....
	1,803	44	2.44
Northern British & Mercantile			
North Br. & M. ..	1,173	....	....
Rly. Passengers ..	602	....	....
	1,775	....	....
Norwich Union			
Canada Security.	968	....	....
Norwich Union .	9,542	—1,147	....
	10,510	—1,147	....
Phoenix of London			
London G. & A. .	27,186	3,563	13.11
Phoenix Assur. ..	8,137	—233	—
Union Marine ...	2,139	....	....
	37,462	3,330	8.88
Royal Liverpool L. & G.			
Globe Indemnity.	6,768	—284	....
Liverp'l L. & G.	1,261	—279	....
Royal Insurance .	8,775	—269	....
	16,804	—832	....
Sun			
Sun Insurance ...	633	....	....
Imperial Ins.	187	....	....
	820	....	....
U. S. Fidelity			
Fidel. Ins. of Can.	18,108	112	0.62
U. S. Fidel & G. .	87,347	—20,270	....
	105,455	—20,158	....
(B)—Individual Co's.			
Aetna Casualty ..	92,600	36,966	39.92
Alliance Assur. .	53	....	....
Anglo Scottish ..	1,360	....	....
Canada Accident	11,646	—1,890	....
Century Insce. ..	1,297	....	....
Comm. Casualty .	1,342	....	....
Consolidated	1,330	....	....
Economical Mut'l.	1,607	....	....
Employers' Liab..	36,893	6,030	16.34
Employ. Reinsur.	5,304	....	....
Federal Fire	285	....	....
Fidelity & Cas. ..	15	....	....
Gen. Acc. of Can.	30,057	—3,341	....
General Security.	17	....	....
Gen. Reinsurance	1,836	....	....
Gore District	1,544	....	....
Guar. of N. A. ...	11,229	....	....
Gt. Amer. Indem.	180	....	....
Guardian of Can.	9,644	—1,129	....
Halifax	7,618	—1	....
Hartford Acc. ...	1,620	....	....
Indemnity Ins. ..	2,841	....	....
Lloyds†	6,419	6,916	107.74
Maryland Cas. ..	3,246	—3,798	....
Metro. Casualty .	1,589	....	....
National Surety .	111	—3,841	....
Pearl	9,567	100	1.05
Pilot†	5,261	—60	....
Prudential Assur.	368	—3	....
Royal Exchange .	16,709	—6,255	....
Travelers Indem..	157	....	....
Yorkshire	560	—54	....
Union Canton ...	1,315	....	....
Wellington	285	....	....
Wawanesa	1,606	23	1.43
	267,731	29,663	11.08
Grand totals, 1944	759,899	7,663	10.24
Grand totals, 1943	725,930	48,781	6.72

†Provincial licensed.

Machinery

	Net premiums written $	Net losses incurred $	Ratio %
Canadian Co's.			
Boiler Inspection	141,868	50,636	35.69
Gen. Acc. of C.	97,710	35,604	36.44
Guardian Ins. ...	12,398	970	7.82
Halifax	12,855	926	7.20
Totals 1944	264,831	88,136	33.28
Totals 1943	299,704	62,783	20.95
British Co's.			
Ocean Accident .	61,486	16,559	26.93
Totals 1944	61,486	16,559	26.93
Totals 1943	39,797	7,573	19.03
Foreign Co's.			
Fid. & Casualty .	448	None	....
Hart. Steam Blr.	24,474	3,312	13.53
Lumbermen's M.	14,874	113	0.76
Maryland Cas. ..	468	521	111.32
Travelers Indem..	4,770	1,161	24.34
Totals 1944	45,034	5,107	11.34
Totals 1943	52,573	8,778	16.70
Grand totals 1944	371,351	109,802	29.57
Grand totals 1943	392,074	79,134	20.18


"I'm an Insurance man myself!"

"In a manner of speaking, that is.

"The way I figure it, I'm your insurance that what happened 'over here' won't happen to you 'over there'.

"I'm a good policy, too. Witness how me and my buddies have Jerry rocking on his heels. Mind you, it hasn't been a cinch. Still isn't. There's a lot of winning ahead yet.

"*We* are giving of our *best*.

"*Are you?*

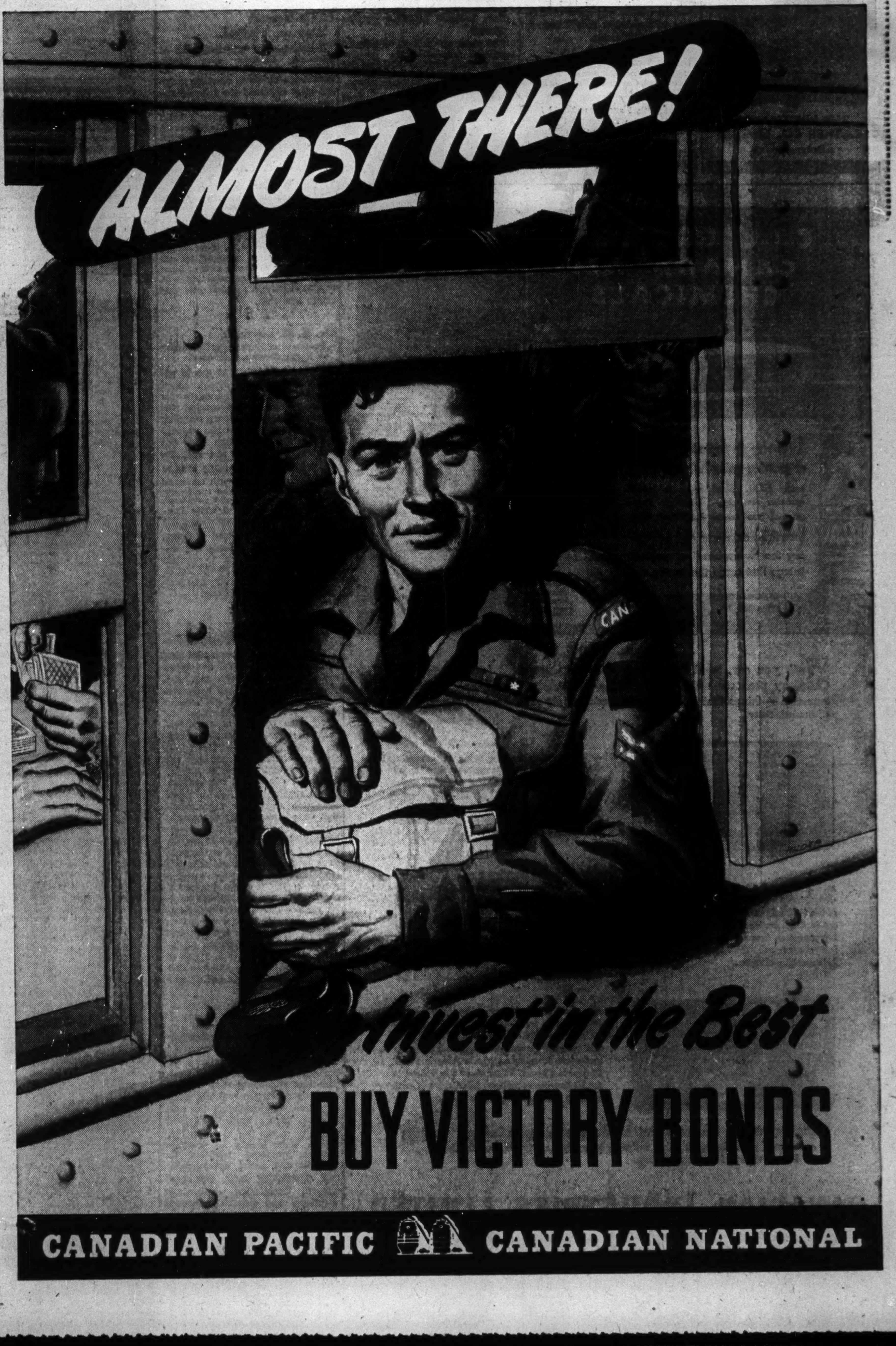
"Remember, for every insurance policy, there's a premium. Except that this premium is a little different. You — the *insured*—name your own figure!

"That's right. Now—just think a minute about this policy. *About me.* My buddies too. Isn't what we're doing in protecting you and yours worth all you can afford—and then some?

"If you agree, you'll match my best with your best by investing in Eighth Victory Bonds to the limit!"

INVEST IN THE BEST—
BUY VICTORY BONDS!

EAGLE STAR
1807
INSURANCE COMPANY LIMITED
OF LONDON, ENGLAND
Head Office for Canada: TORONTO
Branch Offices: WINNIPEG, VANCOUVER



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OR THIS

Systematic speed? Or sorry confusion when counting coins?—The choice is yours, but for accurate and efficient handling coin wrappers are a "must." Available in all sizes, imprinted with your name if desired.

NATIONAL
PAPER GOODS LIMITED
Head Office—Hamilton, Ont.
BRANCHES FROM COAST TO COAST

The
ADMIRAL BEATTY

Modern, Fireproof.
With bath from $3.30
Reservations advised.
E. S. SWEENEY, Manager
SAINT JOHN—NEW BRUNSWICK

Breithaupt
DRI-BREIT
SOLE
LEATHER
Is Watertight
AND
Wears like iron

THE BREITHAUPT
LEATHER CO. LIMITED
Kitchener, Ont.

IN YOUR OPINION

Can We Keep Them at School?

The Question: There are around a quarter million children between nine and 17 not at school, many in jobs illegally. What would you suggest for general social and economic welfare?

Hon. C. H. Blakeney

Minister of Education, Fredericton.

Absence of children from school is due in large measure to the national labor shortage. Conditions will change when the war is over and when there is competition for jobs in the labor market. To meet anticipated conditions it will probably be necessary in New Brunswick to raise the school-leaving age from 14 to 16 years. This province is building many rural high schools which will make possible keeping in school pupils over the 14-year age. Under existing conditions many children are missing education in higher grades and yet it must be recognized they are assisting very materially in the labor shortage.

* * *

Dr. W. W. Cross

Minister of Health and Public Welfare, Edmonton.

The School Enforcement Act in Alberta is adhered to rigidly. The Factories Act and Labor Welfare Act make it illegal for any child under the age of 15 years to be employed in any factory, shop or office building. The Child Welfare Act makes it illegal to employ any child under the age of 16 years between 9 p.m. and 7 a.m., while no girl of under the age of 18 can be employed in a hotel or restaurant without the written consent of parents. I suggest for general social and economic welfare that better parental control and strict enforcement of legislation should remedy the reported situation.

* * *

Dora Dibney

Editor, Saskatchewan Farmer; president, Canadian Women's Press Club, Regina.

Government agencies should first investigate the background to find out what, if any, is the economic necessity for working. The state should be responsible for orphaned children, penalize employers who would take advantage of child labor merely because of low wages and make schooling compulsory nationally up to the end of the 16th year, with federal or provincial aid if necessary.

* * *

E. Eisenhauer

Deputy Minister, Reconstruction and Rehabilitation, Regina.

Saskatchewan requires compulsory school attendance to the age of 14 or having attained public school leaving. The present manpower shortage has resulted in many farm children working on land which would not occur under normal conditions if the family income provided the proper standard of living. I suggest increased tax exemptions in low income groups to relieve economic pressure and higher social service allowance where this is a contributing factor. Present curricula do not meet practical needs of the people or requirements of the country. Saskatchewan is making changes in the educational system to meet this. I believe a national minimum standard of education with federal aid as suggested by the Rowell-Sirois Report where necessary and curricula based on requirements of the people and assured family income would alleviate the situation.

* * *

Mrs. Rex Eaton

Assistant Director, Women's Division, National Selective Service, Ottawa.

The right of children to acquire sufficient education to prepare them to work and live with security and happiness should be safeguarded by legislation and public opinion. Even during emergencies National Selective Service has not urged school children to work except during holidays. At the request of National Selective Service the Federal Department of Labour early approached provincial governments offering to assist if necessary in controlling illegal employment of children. Assurances were received that provincial legislation including school attendance laws and factory acts enabled provinces to control the situation. Selective Service offices check birth certificates and school leaving permits of all younger applicants. Undoubtedly provinces will take prompt action where children are working illegally whenever discovered by reports of inspections and the numbers so employed should not be high.

* * *

Maude V. Fleming

Superintendent, Provincial Industrial School for Girls, Vancouver.

I suggest the establishment and use of more child guidance clinics in schools. Adjust the curriculum and group children according to mental age. Have academic subjects for those of high intelligence and elementary studies with vocational training for others. Raise the entrance standard to university and provide free tuition. This should serve as incentive for ambitious students to continue school. Restrict employment of married women, more especially those with children under 18 years of age. Tighten up the Child Labor Act. Establish more community centres and educate parents on the necessity of maintaining a united home.

* * *

Hilda Hesson

Alderman, Winnipeg.

I consider the Winnipeg plan of licensing children who work, through school principals for school-age children, through regular civic channels for school-leaving ages, helps meet this situation. No employer may employ a child without a license. Undertrained workers' family allowance plan might help this situation in town and country.

* * *

Dr. F. W. Jackson

Deputy Minister, Health and Public Welfare, Winnipeg.

The Manitoba school leaving age is 14 years. Approximately 90% of age group, nine to 14, is on school enrolment. Rural communities are mostly affected due to lack of farm help. I believe the situation will return to normal as adult help becomes available.

* * *

Dr. S. R. Laycock

Professor of Education, University of Saskatchewan, Saskatoon.

All children below 18 should receive education in school. Such lengthy training is necessary for understanding and preparing for citizenship in this modern complex world. Many children leave school because the curriculum does not meet needs, interest and abilities, and I suggest for the many a more practical curriculum with emphasis on health and education for family living, on modern social problems, on ability to read and write English, on social and vocational guidance and pre-vocational training. The state should provide and enforce legal measures to protect children and see that no child quits school for financial reasons to support himself or dependents.

* * *

J. P. Muller

Superintendent of Schools, Regina.

History presents overwhelming evidence that the social and economic welfare in European and American countries has been directly proportionate to the amount of money spent on education. As a rule the country or state that spent the greatest amount per capita on education has had the highest standard of living. Facts force the suggestion that Canada should increase its educational expenditure. The Canadian and Newfoundland Education Association recommends that Canada double its educational budget. If the Canadian people accepted that recommendation, the teachers' salaries could be brought to a level to attract an adequate proportion of the most brilliant minds to the teaching profession, and funds would be available to offer youth a type of practical education which will bring immediate results. The better teachers and the more practical courses of instruction would attract many of the quarter million children between the ages of nine and 17 who are not at school now.

* * *

John F. Marsters

President, Nova Scotia Teachers Union, Halifax.

We should enforce existing attendance laws to encourage at least part-time attendance from ages 16 to 18 by making school life more attractive, by broadening the curriculum, hiring more specialized teachers, arranging for smaller classes with pupils of uniform ability, providing facilities for physical and social developments and establishing more vocational schools. Establishing a thorough vocational and personal guidance program to co-operate with industry in establishing apprenticeship plans whereby the older pupils can learn a trade while studying several school subjects, increase the num-

(Continued on page 10)

THE war will not end
when the last shot is fired in Europe or in Asia.

Still before us is the vital task
of building the peace so dearly won
on foundations that will endure.

Still before us is the task
of the change-over from a wartime to a peacetime economy
and the rehabilitation of the men of our fighting forces.

Until these tasks are finished,
we dare not relax our efforts.
The sacrifices already made must not have been in vain.

BUY AND HOLD
ALL THE VICTORY BONDS YOU CAN

G. Howard Ferguson
President
CROWN LIFE
INSURANCE COMPANY

ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government.

Eastern Steel Products Ltd.—J. G. Lorriman, director.

Imperial Tobacco Co. of Canada—R. H. Sharp, director.

Merck & Co., Inc.—James J. Kerrigan, Henry W. Johnstone, directors.

Canadian Celanese Ltd.—C. Hessey-White, director.

Monarch Life Assurance Co.—Darrell Laird, assistant general manager and actuary; John S. McPherson, manager, mortgage investments; Harvey R. Magee, manager, actuarial department.

J. J. Joubert Ltd.—J. Charest, president.

Public Relations Services Ltd.—G. S. Gillingham, general manager.

Producers Releasing Corp.—David Griesdorf, general sales manager.

Canadian Institute of Mining & Metallurgy—Dr. O. W. Ellis, chairman, metallurgy division.

Howard Smith Paper Mills Ltd.—J. R. Leslie, controller.

Great-West Life Assurance Co.—Capt. E. A. Brock, assistant general manager.

Montreal Better Business Bureau—E. F. Tolhurst, president.

London Life Insurance Co.—J. S. Grant, assistant district manager, Phillips Square Agency, Montreal.

Toledo Steel Products (Canada) Ltd.—F. A. Kuhn, sales manager.

B. F. Goodrich Rubber Co. of Canada—A. J. Minister, general manager, footwear sales division; H. P. Hawkins, general manager, industrial products division.

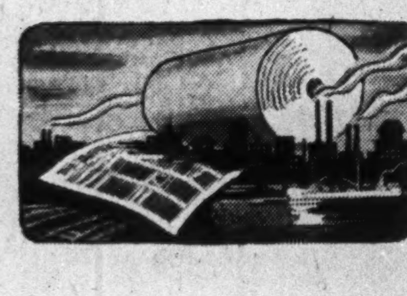
Federal Cabinet—J. A. Glen, minister, mines and resources; Paul Martin, secretary of state; D. C. Abbott, minister, national defense for naval services; J. J. McCann, minister national war services; Joseph Jean, solicitor-general; D. L. MacLaren, minister, national revenue.

Senate—Charles Bishop, T. A. Crerar, W. H. Taylor, F. W. Gershaw, J. P. Howden, C. E. Ferland, V. Dupuis, J. J. Kinley, C. J. Veniot, A. W. Roebuck, J. A. McDonald, A. N. McLean, members.

C-I-L GROWS BECAUSE
CANADA NEEDS
CHEMICALS
Value of Canadian Manufactured Goods—1939 $3,475 Millions
Value of Canadian Manufactured Goods—1915 $1,381 Millions

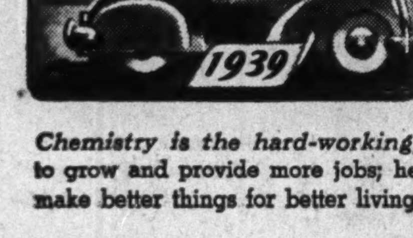
Industry in Canada had a lot of growing pains between 1915 and 1939. That was a busy quarter-century. During that period we were building the industrial structure and acquiring the "know-how" of making things that serve the nation.

Well, you say, what has that to do with Chemistry? Just this — that Chemistry produces things like chlorine and sulphuric acid and synthetic ammonia — things that other manufacturers simply must have as ingredients of manufacture.



1. *For example:* The value of newsprint produced in Canada was more than trebled between 1915 and 1939. The makers of newsprint — which is one of Canada's major industries — needed chlorine in order to bleach the pulp to produce white paper. C-I-L makes the chlorine from salt brine.

2. *Another:* Production of textile materials in Canada had grown by 1939 to almost 12% of the total volume of Canadian manufactured goods. C-I-L produced the chlorine for bleaching processes, dyestuffs needed to give colourfast shades and the caustic soda needed in the making of rayon.



3. *And then Automobiles:* 89,944 motor vehicles in Canada in 1915 jumped to 1,439,245 in 1939. C-I-L introduced the "Duco" and "Dulux" finishes that helped bring costs and prices down, by cutting finishing time from 24 days to 4 hours. Other chemicals, helped to put 10 times more mileage into tires, and anti-oxidants put more power into gasoline!

Chemistry is the hard-working, hired man of industry; helping industries to grow and provide more jobs; helping to create national wealth; helping to make better things for better living.

CANADIAN INDUSTRIES LIMITED
Serving Canada C-I-L *through Chemistry*

IN. 45/4

"Tree-topping" in British Columbia.

Shaping Canada's Future

In post-war years, the difference between national prosperity or distress will be shaped considerably by what the pulp and paper industry and its workers are able to do. The Industry provides direct livelihood for at least half a million Canadians. Of all our peacetime manufacturing industries, this one stands first in payment of wages, first in net value of production, first in export value, first in use of hydro-power, first in capital invested.

In a single year, our pulp and paper companies have paid over $70 million in wages, about $30 million in taxes and crown revenues, over $60 million to railways and shipping companies, many millions more in domestic purchases of supplies and equipment. Most of this money is brought home to Canada from abroad by the industry's export sales.

Pulp and paper is the chief means by which the country's resources of forest and water-power are turned into national income. What happens to this industry in the years ahead is a matter of concern to every Canadian.

*THE PULP AND PAPER
INDUSTRY OF CANADA

* 80 companies, small and large, with 105 mills from coast to coast.

CANADA'S MOST VALUABLE INDUSTRY

NOTICE TO BONDHOLDERS

ABITIBI POWER & PAPER COMPANY, LIMITED

First Mortgage Gold Bonds Series A, 5%, due 1953.

FIFTH DISTRIBUTION

TAKE NOTICE that by Order of the Supreme Court of Ontario the Receiver and Manager has been ordered to pay to the undersigned for distribution pro rata among the holders of the above Bonds the sum of $2,078,859.69 Canadian funds, to be credited on the 1st day of June, 1945, on account of principal as more particularly provided in the said Order. The amounts payable in Canadian funds are $43.07 per $1,000 Bond and $21.53 per $500 Bond.

To become entitled to share in such distribution, each Bondholder (including a holder of registered Bonds) is required to present, on or after June 1, 1945, his Bond or Bonds with all interest coupons due June 1, 1932, and subsequent thereto, to MONTREAL TRUST COMPANY, 511 Place d'Armes, Montreal, Que., or 61 Yonge Street, Toronto 1, Ont., or 6 Lothbury, London, E. C. 2, England, or to its agent, CITY BANK FARMERS TRUST COMPANY, 22 William Street, New York 15, U.S.A., with instructions as to the name and address of the person to whom the cheque in payment is to be issued. The Bonds so presented will be stamped with particulars of the payment and returned.

The distribution will be governed by the restrictions, regulations and instructions of the Canadian Foreign Exchange Control Board and the Canadian Custodian of Enemy Property. In particular, bearer Bonds or coupons held by non-residents of Canada must be accompanied by Canadian Declaration of Ownership (Form "G").

For further particulars apply to Montreal Trust Company or City Bank Farmers Trust Company above mentioned.

DATED the 17th day of April, 1945.
MONTREAL TRUST COMPANY.

NOTICE TO HOLDERS OF CERTIFICATES OF DEPOSIT

ABITIBI POWER & PAPER COMPANY, LIMITED

First Mortgage Gold Bonds Series A, 5%, Due 1953.

The payment to which this Committee will be entitled in respect of bonds deposited under the Deposit Agreement dated June 10, 1932, will be disbursed under its direction by Montreal Trust Company as and when received to and among the registered holders of record on June 1, 1945, of the relative Certificates of Deposit issued in respect of such bonds.

Presentation of the Certificates of Deposit will not be required.

NOTICE IS HEREBY GIVEN that, under and pursuant to the provisions in that respect contained in the said Deposit Agreement, the transfer books kept by the undermentioned Depositaries for the Certificates of Deposit issued thereunder will be closed from the close of business on May 2, 1945, until the opening of business on June 4, 1945.

All holders of Certificates of Deposit who are not the registered holders thereof should forthwith take action to have the Certificates of Deposit held by them transferred on the said transfer books into their own names if they desire to participate in the aforesaid distribution. The Secretary should be advised of any change of address.

Dated the 17th day of April, 1945.
Bondholders' Protective Committee,

H. J. SYMINGTON, K.C., Chairman.
ALLAN R. GRAYDON, K.C., Secretary.
2400 The Canadian Bank of Commerce Building, Toronto 1, Canada.

Depositaries:

City Bank Farmers Trust Company,
22 William Street, New York 15, N.Y.

Montreal Trust Company,
511 Place d'Armes, Montreal, Que.
61 Yonge Street, Toronto 1, Ont.

We Manufacture
Envelopes
for every purpose
Barber-Ellis of Canada. Limited
TORONTO - BRANTFORD
BRANCHES FROM COAST TO COAST

Lattimer Report on Prince Edward I. Stresses Industry, Not Agriculture

From Our Own Correspondent

CHARLOTTETOWN—The recent trend and present position of Prince Edward Island may be explained by one word, centralization, according to Dr. J. E. Lattimer, Professor of Agriculture Economics at Macdonald College, St. Anne de Bellevue, in his Economic Survey of Prince Edward Island. Dr. Lattimer's survey was made for the newly created Provincial Department of Reconstruction, in his report, just released to the public.

Dr. Lattimer points out that the centralization of industry in other parts of Canada has caused the population of the Island to dwindle, and in addition has placed the markets for the Island's chief products at a distance.

The survey, which has particular emphasis on agriculture, was made for the purpose of assisting the government in the rehabilitation of as many returned men as possible at home.

No More Work on Farms

Dr. Lattimer states that trying to put more men to work in farming is impossible and undesirable, and that the only way to secure prosperous farming and cheap food at the same time is to have only a few well-equipped and efficient farms producing what is needed. He believes that, since potatoes are one of the Island's chief products and consumption varies little, no matter what the price, there should be a regulation of the acreage planted each year. At present more potatoes are produced when prices are high than when they are low, and he believes that planting should be based on order or by contract. This would help to maintain soil by crop rotation, and would stabilize prices.

Dr. Lattimer also suggests that movement of feed to the province from western Canada should be by boat, as it is too costly to carry feed by rail no matter who pays for it. He conceives of boats going to Montreal or the Argentine with potatoes and returning with feed grain. This would require the development of cargo, wharfage and storage facilities which would provide more employment, and if the boats were owned locally, the income from the carrying trade would remain on the Island.

Looks to Canning

There is room for development in the field of small fruits and vegetables suitable for canning, as the Island soil and climate favor such crops, and they could be processed locally, which would provide additional employment and reduce the cost and complications of transportation.

While there has been some wartime prosperity in the fishing industry, Dr. Lattimer does not believe this will continue, except with sea products of the better grades, such as lobster fishing and oyster farming. He believes that the occupations of fishing and farming could be combined more, so that farmers would have an income the year around, and he states that there is room for local development of the by-products of the fishing industry such as oils, fish meals, and fertilizer. He lays great stress on the importance of processing farm and fishing products on the Island, since this now involves more work than formerly and the income to the employees is certain and at higher rates than in producing the raw products.

Dr. Lattimer believes that farms which are not producing should be re-forested, as the soil and climate conditions are ideal for this, which has taken place in many abandoned farms already without any organized planning.

He also emphasizes the importance of extending rural electrification, which would make farm life more attractive because of the many conveniences which accompany this development.

All other suggestions are designed to increase the number of gainfully employed in the province, and to open one of the greatest avenues of effort in the postwar period; that is, the making and selling of goods farmers have been going without for years.

So far it has not been disclosed what use is to be made of Dr. Lattimer's survey, but it is understood that the Department of Reconstruction will consider it in the light of suggestions now being assembled by the Citizen's Advisory Committee on Reconstruction, which was formed recently to assemble ideas from every walk of life on the subject of rehabilitation

JOINS BOARD

Ronald H. Sharp, elected a director (in charge industrial relations) of Imperial Tobacco Co. of Canada.

COMPANY REPORTS

Bathurst Power

Bathurst Power & Paper Co. sales for 1944 reached a new peak in values at $7,452,835 as against previous record in 1943 of $6,992,759. Over-all production showed a gain of 5,143 tons or 5% over 1943. The chief gain was in kraft products (liner and corrugating board) into which the company shifted its newsprint operations to accord with wartime demand. Adjustments in the 1944 financial statement reflect the tax settlement for the years 1940-43. President R. L. Weldon states that final determination of the taxable profits for the above years has not yet been made, although an understanding with respect to material differences has been concluded.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Gross income	$1,344,075	$1,528,066
Less: Depreciation	370,160	433,954
Depletion	109,934	140,595
Subs. depr. res.	5,425	5,400
Contingencies	125,000	......
Income tax res.‡	353,106	408,746
Net profit	380,450	539,371
Less: Cl. "A" divs.	400,000	400,000
Surplus for year	*19,550	139,371
*Deficit.		
‡Incl. ref. EPT	349	12,743
Earnings per Share and Dividend Record:		
Cl. "A": Excl. ref. EPT	$0.95	$1.35
Incl. ref. EPT	0.95	1.38
Paid	1.00	1.00
Cl. "B": Excl. ref. EPT	d1.40	d0.87
Incl. ref. EPT	d1.40	d0.83
None paid.		

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1944	■1943
Cash	$ 506,468	$1,455,226
Investments▲	1,279,660	979,147
Accts. rec.	720,774	704,395
Inventories	3,266,913	2,677,125
Total curr. assets	5,773,815	5,815,893
Misc. assets*	348,719	264,902
Fixed assets	17,018,676	16,263,777
Total assets	23,141,210	22,364,572
Total curr. liab.	1,390,263	1,151,427
Deprec. & deplet.	4,776,359	4,340,613
Conting., etc., res.	173,709	48,626
Capital stock	16,240,000	15,240,000
Surplus*	1,560,879	1,583,906
*Incl. ref. EPT	13,092	12,742
■Adjusted.		
▲Market value	1,276,082	977,545
Working capital	4,383,552	4,664,466

Fleet Aircraft

Retained net profit in 1944 for Fleet Aircraft showed a slight gain over 1943. A brief in regard to excess profits taxes, has been submitted to the taxing authorities and the annual statement is made up on a basis which directors believe is a fair estimate of the final result of the tax submission.

About the middle of the year, production of Cornell trainers was terminated, but as work had already commenced on the production of Lancaster components, the entire facilities of the plant were quickly transferred to the new work. Contracts on hand and in prospect will occupy the company's resources until the end of hostilities in the Asiatic theatre, E. G. Smith, president, believes.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Net earnings	$322,460	$577,997
Less: Deprec.	14,266	128,440
Taxes‡	129,094	276,188
Net profit	179,100	173,369
Less: Dividend	......	47,572
Surplus for year	179,100	125,797
‡Incl. unstated ref. EPT.		
Earnings per Share and Dividend Record:		
Earned	$0.94	$0.91
Paid	....	0.25

CONDENSED BALANCE SHEET

As at Dec. 31:	1944	1943
Dom. bonds	$......	$200,000
Accts. rec.	2,206,907	777,009
Taxes, overpd.	176,919	......
Inventories	1,997,563	3,464,885
Total curr. assets	4,388,389	4,441,894
Misc. assets▲	70,525	86,815
Other invests.	1	1
Properties*	107,640	110,006
Mfg. & selling rts.	82,250	82,250
Total assets	4,643,805	4,720,966
Bank loan	84,684	773,506
Dep. on sls. contr.	1,105,053	......
Accts. & tax., etc., pay.	1,173,310	1,861,261
Total curr. liab.	2,363,047	2,634,767
Capital stock	1,402,890	1,402,890
Surplus▲	877,868	683,309
*After depr. of	876,544	862,801
▲Incl. refund. EPT	29,293	42,215
Working capital	2,020,342	1,807,127

Can. Fairbanks-Morse

The Canadian Fairbanks-Morse Co. total sales for 1944 were $16,570,584, compared with $19,034,272 in 1943, a decrease of 12.94%. The reduction in earnings and sales is attributed to rising material prices and increasing difficulty in the procurement of materials and supplies. The outlook for 1945 appears promising, President F. W. Miller states.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Net income	$1,622,160	$2,309,093
Less: Deprec.	35,562	36 176
Prov. for inc. tax	*1,118,913	*1,663,106
Conting. res.	238,000	375,000
Net profit	229,685	234,811
Less: Pref. divds.	67,572	67,572
Com. divds.	100,000	120,000
Surplus for year	62,113	47,239
*Excl. ref. EPT of	238,086	376,014
Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$20.62	$20.85
Incl. ref. EPT	41.99	54.15
Paid	6.00	6.00
Com.: Excl. ref. EPT	2.03	2.09
Incl. ref. EPT	5.00	6.78
Paid	1.25	1.50

CONDENSED BALANCE SHEET

As at Dec. 31:	1944	1943
Cash & Dom. bonds	$1,631,258	$1,811,239
Accts. rec.	2,005,425	2,566,010
Inventories	2,011,174	1,879,111
Total curr. assets	5,647,857	6,256,360
Misc. assets▲	771,430	538,102
Mortgage rec.	......	25,500
Fixed assets	1,444,729	1,533,223
Total assets	7,864,016	8,353,185
Accts. & tax. pay.	1,865,928	2,586,810
Dividends pay.	16,893	16,893
Total curr. liab.	1,882,821	2,603,703
Deprec. res.	586,192	642,024
Conting. res.▲	907,305	669,304
Capital stock	2,713,900	2,726,200
Capital surplus	12,300	......
Earned surplus	1,861,498	1,711,954
▲Incl. ref. EPT of	760,606	522,521
Working capital	3,765,036	3,652,657

Canada Iron Foundries

Canada Iron Foundries Ltd. reports that sales volume was maintained at approximately the same level as in 1943. President W. J. Langston points out that the improvement in earnings is due to operating economies made possible by expenditures for improved facilities at the various plants, the return to a normal basis of depreciation, as well as an increase in income received from subsidiary companies.

Both the new $10 par value preference and common shares of the company were listed for trading—on the Montreal Stock Exchange on May 1, 1944 and on the Toronto Stock Exchange on June 1, 1944.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Total net earnings	$969,838	$651,865
Less: Deprec.	87,114	199,932
Inc. tax. res.‡	431,000	114,733
Net profit*	451,724	337,200
Less: Pref. divds.	228,999	232,668
Com. divds.	23,983	......
Surplus for year	198,742	104,532
‡Inc. refund. EPT	59,577	......
*Note: Co's. report includes refund. EPT in net profit and surplus for year.		
Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	■$1.17	$8.70
Incl. ref. EPT	■1.32	8.70
Paid: New	■0.30	......
Old	3.00	6.00
Com.: Excl. ref. EPT	■1.39	6.52
Incl. ref. EPT	■1.77	6.52
Paid	†0.15	nil
■New stock after 10 for 1 split Feb., 1944.		
†Payable Apr. 2, 1945.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1944	1943
Cash	$157,958	$133,681
Dom. bds. & mkt. secs.†	703,186	353,186
Other secs.	25,332	25,873
Accts. rec.	774,957	774,060
Inventories	1,265,173	1,548,026
Total curr. assets	2,926,606	2,834,826
Misc. assets▲	101,867	78,688
Invests. in subs.	3,297,274	3,016,706
Fixed assets*	3,332,741	3,307,562
Total assets	9,658,488	9,237,782
Bank advs.	335,000	300,000
Accts. & tax. pay.	907,195	759,330
Total curr. liab.	1,242,195	1,059,330
Unclaimed wages, etc.	3,479	12,656
Reserves	1,011,000	1,011,000
Capital stock	5,465,290	5,476,700
Capital surplus	11,410	......
Surplus▲	1,925,114	1,678,096
*After depr. of	4,198,124	4,111,010
†Market value	727,524	363,494
▲Incl. refund. EPT	79,185	19,608
Working capital	1,684,411	1,775,496

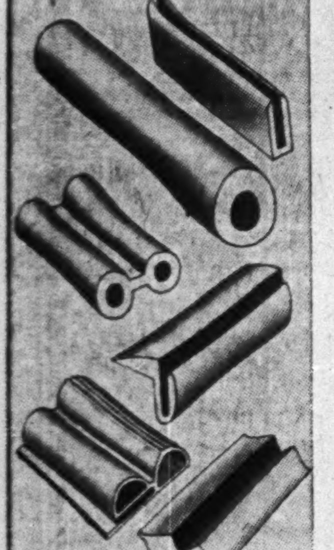
B. F. Goodrich Extruded Rubber Products
... In Thousands of Shapes ... for Scores of Industries

When an industry has a tough problem of sealing, it's probably similar to other sealing problems that B. F. Goodrich engineers have already solved for some other industry. B. F. Goodrich Extruded Rubber Products have provided the answer in thousands of cases where positive sealing seemed an insurmountable obstacle.

B. F. Goodrich Extruded Rubber Products are produced in an infinite variety of patterns for Gaskets, Channel Strips, Tubing, Weather Stripping, and for many other purposes in almost every industry.

For instance—B.F.G. Extruded Rubber Products are used to speed aviation production ... to reduce refrigeration manufacturing costs ... to improve the efficiency of washing machines.

If you have a problem of sealing, or one that requires an improved extruded rubber product, it will be to your advantage to call in B. F. Goodrich research engineers.



Extruding machines look like giant food grinders.

Metal die and the rubber part which is produced.

RIGHT FROM THE START
B.F.Goodrich
FIRST IN RUBBER

INDUSTRIAL PRODUCTS DIVISION
THE B. F. GOODRICH RUBBER COMPANY OF CANADA, LIMITED
KITCHENER • MONTREAL • WINNIPEG • VANCOUVER

GIVE HIM ANOTHER LIFT!

Sure he's sick of war ... and so are we ... but he's counting on us. That is the reason for the 8th Victory Loan. When you buy Victory Bonds you are giving him another lift ... for remember, REAL victory is the day when our boys come home.

Invest in the Best
BUY VICTORY BONDS

BLUE TOP
8

CONTRIBUTED BY THE BLUE TOP BREWING COMPANY LIMITED, KITCHENER, ONTARIO

Alum. of Can. Replies To Demands of Union

MONTREAL (Staff)—Explaining its refusal to agree to maintenance of membership and "check-off" clauses, which resulted in withdrawal of the National Catholic Syndicate from recent labor contract negotiations, the Aluminum Co. of Canada states that the company believes its workers should be free to join or resign from any organization at any time, of their own free will, and that any employee preferring to remain independent of a labor organization should enjoy that privilege.

As a principle, the company further states, it does not favor any payroll deductions, and although wartime circumstances have forced abandonment of this principle the company is unwilling to add still another deduction now asked by the union—collection of moneys owed the Syndicate by its members. The company states it does not consider it is a function of management to collect dues and assessments for a union or any similar or comparable organization.

BOOST BOND BUYING

Duquesne Mining Co. reports over $100,000 on hand to finance additional drilling on its Que. property. The company has completed drill holes Nos. 35 to 39, inclusive, and reports that work is proving up ore structure of higher than average grade and that others are definitely indicated. The last hole has proved extension of ore some 250 ft. ahead of underground drifts.

... and then
THE DREAMS CAME TRUE

Pompous and ugly it may look now, but a generation ago every ambitious young man and his family dreamed of owning a mansion like "the house on the hill".

And then came *Advertising*, announcing the new day of modern building materials—of house plans "designed for living" ... of work-saving electrical and mechanical household equipment—of simpler, sensible furnishings.

Today, even the modest bungalow boasts comforts and conveniences the richest man in town could not have bought fifty years ago. And week in, week out, advertising in The Star Weekly continues to give the news of home improvements and extend its friendly invitation to higher living standards.

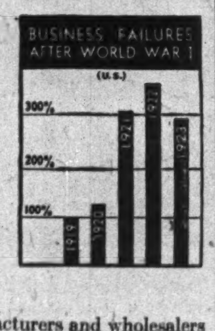
Advertisers in the home field pick The Star Weekly for a very important reason. Each week it is read in 750,000 Canadian homes small and large, by more than 2,600,000 men, women and children. The Star Weekly covers over 50% of ALL the English-speaking families in Canada's urban centres!

AFTER VICTORY, the big majority of Canadian families having post-war buying plans intend to build or refurnish a home. Your advertising reaches more of these families in The Star Weekly.

The STAR WEEKLY
PUBLISHED AT 80 KING STREET WEST, TORONTO, CANADA

MONTREAL ADVERTISING OFFICE: UNIVERSITY TOWER ... U.S. REPRESENTATIVES: WARD-GRIFFITH CO. INC.

GOOD COLLECTIONS
CREDIT EXECUTIVE
LULL IN BUSINESS FAILURES



Easy Sailing Now... but there may be Rough Going Ahead

LOOK at the accompanying chart... which shows how failures multiplied after World War I. In three years... from the 1919 level... the number of Canadian commercial and industrial failures jumped 389% in three years; current liabilities involved jumped 380%. Over the same period, failures and liabilities in the United States rose 267% and 450% respectively.

Will history repeat? Will failures multiply again? No one knows. Even now... upsets caused by unforeseen developments after goods are shipped may leave customers frozen... or worse. That's why manufacturers and wholesalers in over 150 lines of business carry Credit Insurance... and why you need it too.

Credit Insurance GUARANTEES PAYMENT of your accounts receivable for goods shipped... *pays you when your customers can't.* Don't face the uncertain future unprotected. Write now for more information to: American Credit Indemnity Company of New York, Dept. 54, First National Bank Building, Baltimore, 2, Maryland, or to one of the Canadian offices listed below.

J. F. McFadden
President

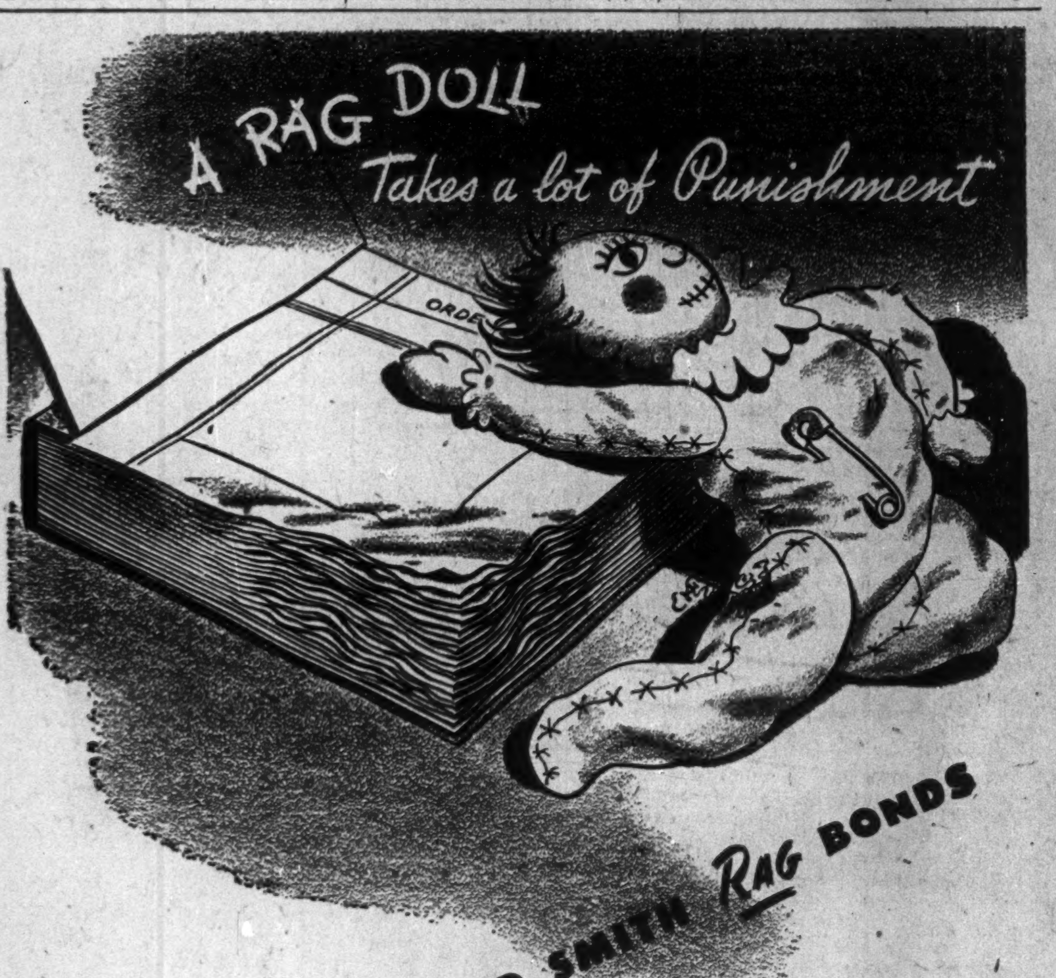
★ ★ ★

52nd Year
AMERICAN CREDIT INDEMNITY COMPANY OF NEW YORK
1893 1945

CANADIAN DIVISION
American Credit Insurance
Pays You When Your Customers Can't

OFFICES IN TORONTO, MONTREAL AND SHERBROOKE

International Utilities Corp. announced that General Water, Gas & Electric Co., a subsidiary, on Mar. 29, 1945, sold its investment in the common stock of California Water Service Co. and San Jose Waterworks to a New York banking group headed by Union Securities Corp. and Kuhn, Loeb & Co. for a total cash consideration of $6,700,792.


A RAG DOLL Takes a lot of Punishment
ORDERS
...SO DO HOWARD SMITH RAG BONDS

Just as a rag doll is made to take all kinds of mauling, so are Howard Smith rag papers able to stand up under the constant "thumbing" that office records and ledgers are subjected to. These quality bonds show a marked resistance to rough handling... hold their original appearance and "body" through continual usage... and retain clear-cut ink impressions over long periods of time. Listed below are the Howard Smith rag bonds.

ROYAL RECORD ... KRYPTON PARCHMENT
ROYAL RECORD LEDGER... KRYPTON LINEN LAID
BELL-FAST BOND... KRYPTON EXTRA STRONG
... GENOA BOND ... AIR MAIL BOND ...

Howard Smith Paper Mills Limited

Price Drop in Aluminum Works Both Ways in U.K.

British Fabricators Expect Further Reduction and a Fighting Chance Postwar While Primary Producers Pin Hopes to Direct Subsidy

By ROBERT C. STARK

LONDON—With the largest light alloy fabricating industry outside of the United States, British operators are hopeful that their facilities will remain closely integrated with Canadian production of raw aluminum after the war. The recent reduction in aluminum price to £85 a ton from £110 has been greeted enthusiastically by British fabricators who realized that lower prices are essential if they are to play any fair-sized part in the postwar market for aluminum products.

At the same time, the price cut has given rise to a possibly awkward situation in regard to British high-cost producers of the light metal. These plants cannot compete with Canadian or American output on a strict basis largely because the North American operators have an abundance of cheap hydro-electric power while the British have to rely more heavily on coal. During the war years world production of aluminum has expanded from some 600,000 tons to more than 2 million tons. United Kingdom output in 1943 was 56,000 tons, an increase of 125% over 1939 production.

Expect Further Price Cut

Before the war the British price for aluminum was £100 a ton, except for a period at £94 immediately prior to hostilities. On the outbreak of war the control price was established at £100 which at that time was on a parity with the American price which, however, subsequently dropped considerably. The cut in British price to £85 once again establishes a rough equality, comparing with the American price of £83 10s at current exchange rates. Already there has been opinion expressed here that the cut should have gone deeper, perhaps to £80 a ton. With a continuing heavy supply of aluminum pressing on the markets there is also some belief that it will not be long before prices are further substantially slashed. In this connection is quoted the recent prediction of Professor E. B. Parker, supervisor of Light Metal Research at Washington State College, that in the not far distant future, the price of aluminum will be as low as nine cents a pound, or approximately £50 a long ton.

One of the most important difficulties, so far as further price reductions are concerned, is the doubt that British primary producers can profitably offer any substantial quantity of raw aluminum below £85 a long ton. Without protection of some kind there would appear to be a good chance that low-cost competition from across the Atlantic would be too much for British producers.

There seems little doubt that protection will be forthcoming if on no other grounds than the strategical necessity of maintaining the industry in operation. At the moment the strongest arguments seem to favor such protection in the shape of direct subsidies rather than tariffs imposed on imports of the metal. It is pointed out that the latter method would very seriously hamper the fabricating end of the industry in competitive world trade and Britain is already short enough of efficient industries without hobbling this bustling newcomer.

Aluminum fabricating interests are pressing the Government for a clarification of postwar tariff policy so that they may plan the future of the industry more adequately. However, any official policy that would tend to restrict the sound development of this industry would be irreconcilable with the great wave of optimism evident here over the future of aluminum. The pressure of war uses has not only ironed out many of the technical difficulties in fabricating aluminum but has also brought many more industrialists into contact with the metal than might ordinarily have been the case.

The latest price cut for aluminum is seen here as a renewed threat to the use of copper, particularly in the electrical industry. Aluminum is one third the weight of copper and it has been generally held that a position of balance between the two metals is achieved when approximately the same price ratio holds. On that basis the price of copper would have to stand at around £28 a ton as compared with its present price of £62 and its lowest pre-war quotation of about £35.

Beyond the electrical industry a wide variety of important postwar uses is seen for aluminum in housing, household appliances, machinery, railways and even in bridge building. However, it is fully realized here that if British rolling and fabricating capacity is to take any substantial part in this postwar trade it will have to do so on a competitive basis that will mean it must obtain its raw material as cheaply as possible without having to overcome restrictive tariff barriers. That in turn is seen to mean an increasingly close link with low-cost Canadian production of raw aluminum.

COMPANY REPORTS

Sicks' Breweries

Sales in 1944 for Sicks' Breweries Ltd. (formerly Associated Breweries of Canada Ltd.) showed an increase over 1943 although Government restrictions on sales of beer and a short supply of brewing materials still exist.

The favorable liquid position, together with accumulated refundable portion of Excess Profits Tax, will enable the company in the postwar period to finance extensive replacement and modernization of equipment and provide for plant expansion where desirable, the annual report states.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Net earnings	$2,259,793	$1,692,972
Less: Deprec.	98,071	110,787
Income tax♦	1,702,224	1,153,102
Net profit	459,498	429,083
Less: Pref. divds.	......	30,921
Com. divds.	357,000	357,000
Surplus for year	102,498	41,162
♦Incl. refund. EPT	260,225	157,930
Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$1.93	$1.67
Incl. ref. EPT	3.02	2.34
Paid	1.50	1.50

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1944	1943
Cash & Dom. bonds	$1,782,300	$1,291,570
Accts. rec.	31,044	63,553
Life ins. c. v.	294,036	267,193
Inventories	891,126	700,165
Total curr. assets	2,998,506	2,372,481
Invests.	929,022	911,012
Misc. assets▲	544,552	282,041
Fixed assets	3,743,840	3,678,988
Total assets	8,215,920	7,194,522
Total curr. liab.	1,952,394	780,300
Deprec. res.	2,151,163	2,050,452
Other res., etc.	485,570	390,700
Capital stock	2,145,293	2,145,293
Surplus▲	2,181,300	1,818,772
▲Incl. refund. EPT	504,470	244,245
Working capital	1,746,112	1,542,181

Noorduyn Aviation

Noorduyn Aviation Ltd. reports that final negotiation with the government of prices on all deliveries up for the years 1940-43 was completed during 1944 and resulted in a refund to the government of an amount of $400,000. President W. L. Bayer reports that unit costs of production have continued to decline, as a result of improvement in efficiency in operation. Notwithstanding a reduction in personnel, the number of complete aircraft produced during 1944 was 1,362 an increase of about 10% over 1943. At the end of 1944, the backlog of unfilled orders stood at approximately $28 millions.

An improved model of the Norseman, of greater utility for commercial use than the model delivered for the specialized purposes of military transport, has been developed for the postwar market.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Net oper. profit‡	$1,047,220	$777,272
Less: Conv. note int.	15,088	16,308
Depreciation	31,668	114,555
Note disc. w/o	2,797	2,930
Prov. for inc. tax♦	963,200	623,300
Net profit & surplus	34,467	20,179
♦Incl. refund. EPT	186,100	122,000
‡After conting. res.	500,000	500,000
Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$0.37	$0.22
Incl. ref. EPT	2.38	1.52
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1944	1943
Cash & Dom. bonds	$ 385,227	$ 330,969
Accts. rec.	3,645,879	3,380,843
Inventories	5,841,594	8,449,981
Uncomp. contr. cost♦	31,441,463	19,034,000
Total curr. assets	41,314,163	31,204,793
Misc. assets▲	467,484	230,410
Fixed assets*	43,876	78,167
Contracts & rts.	190,819	190,819
Total assets	42,016,342	31,704,189
Bank loans	1,552,550	1,575,000
Accts. & tax. pay.	38,653,140	28,073,904
Conting., etc., res.	525,000	‡
Total curr. liab.	40,730,690	29,648,904
Funded debt	203,700	332,500
Conting., etc., res.	‡	1,020,433
Capital stock	417,600	417,600
Surplus▲	†664,352	284,752
*After depr. of	1,200,020	1,173,599
▲Incl. refund. EPT	446,700	186,000

♦Cost of delivered aircraft on uncompleted orders, profit on which is not included until contract entirely completed.

‡Included in current liabs. in 1944, not in 1943.

†After renegotiation adjustment.

Working capital	583,473	1,555,889

Industrial Acceptance

Total volume of business, excluding wholesale financing, of Industrial Acceptance Corp. for 1944 was $24,537,337, as compared with $22,868,000 in 1943. Maintenance of volume is substantially due to development of business of Campbell Finance Corp. specializing in the small loan business under the Dominion Small Loans Act and the Industrial Factors Corp. which factors accounts receivable for industrial and merchandising concerns.

Termination of the war should bring a revival of capacity manufacturing operations in motor vehicle, electric appliance and other lines for a number of years to come. This should create a sustained and substantial volume of business for the company, with which it will, we believe, be prepared to cope, Russell D. Bell, chairman, states.

CONSOLIDATED INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Net earnings	$598,433	$670,534
Less: Loan interest	142,018	195,532
Note & deb. int.	76,099	76,742
Income tax res.	164,689	169,910
General reserve	......	20,000
Net profit	215,632	208,350
Less: Pref. divds.	75,000	75,000
Cl. "A" divds.	45,133	45,133
Surplus for year	95,499	88,217

*After reserves for losses and contingencies.

Earnings per Share and Dividend Record:		
Pref.: Earned	$14.38	$13.89
Paid	5.00	5.00
Cl. "A": Earned	1.56	1.48
Paid	0.50	0.50

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1944	1943
Cash & Dom. bds.	$ 916,357	$ 943,153
Accts. & notes rec.	10,211,842	9,781,016
Letters of credit	190,689	68,807
Total curr. assets	11,318,888	10,792,976
Prepaid exps.	23,103	19,478
Staff pens. fund	88,906	93,029
Deb. red. exp., etc.	34,351	39,271
Office equip., etc.*	22,682	35,902
Goodwill	1	1
Total assets	11,487,931	10,980,657
Bank loans	4,190,000	3,781,000
Accts. & tax pay.	105,577	136,669
Dealers cred. bal.	713,755	844,425
Letters of credit	190,689	68,807
Total curr. liab.	5,200,021	4,830,901
Res. unearned inc.	321,244	287,528
Gen. & contg. res.	435,124	403,470
Funded debt	1,760,000	1,790,000
Capital stock	2,624,676	2,624,676
Earned surplus	1,146,866	1,044,082
*After deprec. of	182,864	165,465
Working capital	6,118,867	5,962,075

Canadian textile operations, as revealed in figures on bale openings, showed a slight seasonal improvement in March, but a decline from the year before for the 31st consecutive month. Bale openings (500 lb. gross weight) totalled 36,638 last month against 33,046 in February and 39,774 in March, 1944. Bale openings for the first quarter of the year, at 101,667, were down nearly 7,000 bales from the like 1944 period.

BUY AND HOLD VICTORY BONDS

INVEST IN THE BEST
8
Coca-Cola
THE COCA-COLA CO. OF CANADA LIMITED
TRADE MARK REGISTERED
HEAD OFFICE, TORONTO

BUY VICTORY BONDS

"To have and to hold"

★ ★ ★

THE COCA-COLA COMPANY OF CANADA, LIMITED

524

"THESE TOO WILL BE MEN..."

Will these, too,—in their generation—have to take up arms—become sailors, soldiers, airmen?

Will these, too, be visited by War made frightful beyond all imagining by weapons diabolically designed for the scientific slaughter of mankind?

It's a staggering thought ; ; ;

That is one reason why the success of the Eighth Victory Loan is of such urgent importance to all of us.

Only by complete Victory ; ; ; only by using ALL our power to force our foes into "unconditional surrender"—shall we render impotent their plans for war—FOR EVER!

That's worth thinking about when the Victory Loan salesman calls on you shortly after April 23rd.

THE BANK OF TORONTO
B. S. Vanstone, General Manager

"INVEST IN THE BEST"—BUY VICTORY BONDS

COMPANY REPORTS

Invest. Bond & Share

Net revenue from investments of Investment Bond & Share Corp. for 1944, amounted to $78,897 as compared with $90,756 for 1943. Expenditures for the year, including interest on debentures and call loans and general expenses, amounted to $109,987 as against $113,690 for 1943. Break-up value of outstanding debentures at Dec. 31, 1944, was $99.31 and accrued interest per $100 debenture. It was $80.52 per $100 debenture at Dec. 31, 1943. As at Dec. 31, 1944, investments valued at $1,917,946, were held 4.80% in bonds, 24.68% in preferred stocks, 68.14% in common stocks and 2.38% in cash, etc.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Net revenue	$78,897	$90,756
Expenses	15,343	18,936
Net income	63,554	71,820
Less: Deb. interest	85,100	85,114
U. S. exch. on int.	9,355	9,353
U. S. tax on int.	189	387
Deficit for year	31,090	22,934
Times Deb. Int. and Exch. Earned	0.67	0.76

CONDENSED BALANCE SHEET

As at Dec. 31:	1944	1943
Cash	$43,945	$3,135
Accts., etc., rec.	......	7,186
Invest., at cost*	2,002,369	2,173,820
Accr. revenue	1,688	825
Net loss on secs.	1,659,990	1,620,224
Revenue deficit	221,600	189,402
Total assets	3,929,592	3,994,592
Call loans & exch.	220,000	285,000
Accts. & tax pay.	7,592	7,592
Debentures	1,702,000	1,702,000
Capital stock	2,000,000	2,000,000
*Market value	1,872,313	1,651,890

Canada Malting

Gross profit for Canada Malting Co. was lower for 1944, although retained net profit was moderately higher. Manufacturing costs showed further general increases, a major factor being much higher proportion of screenings contained in barley available for malting. In spite of a substantial increase in war years in the quantity of barley grown in Canada, a great demand for barley for export to the United States, has kept the price of all barleys at ceiling, regardless of grade, the report states.

The addition to the Montreal malthouse was completed in Dec., 1944. Construction took approximately three months longer than anticipated, with a consequent increase in cost over the preliminary estimates. While it is expected that this added capacity will be operated all through 1945, it should be realized that increase in malt shipments in 1944 over 1943 was accomplished only by drawing heavily on malt stocks. These must now be brought back to an adequate working position so, consequently, the 1945 shipments will not fully reflect the increased production.

After the war, it can be expected, states Eric S. Clarke, president, that there will exist a large surplus of malting capacity in Canada, which will be required only if export business can be greatly increased over the pre-war volume.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Net earnings	$1,752,774	$1,993,254
Less: Deprec.	256,534	225,000
Inc. tax res.▲	949,298	1,241,648
Net profit	546,942	526,606
Less: Dividends	497,430	497,430
Surplus for year	49,512	29,176
▲Inc. refund. EPT	109,919	172,435
Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$2.75	$2.65
Incl. ref. EPT	3.30	3.51
Paid	2.00+0.50	2.00+0.50

CONDENSED BALANCE SHEET

As at Dec. 31:	1944	1943
Cash	$1,670	$1,470
Investments†	1,583,230	2,075,692
Accts. rec.	581,770	775,584
Inventories	3,730,169	2,890,384
Total curr. assets	5,896,839	5,743,990
Misc. assets▲	503,400	430,583
Fixed assets*	3,009,324	2,641,129
Total assets	9,409,563	8,814,802
Bank adv.	952,904	146,113
Accts. & tax pay.	794,360	1,165,821
Total curr. liab.	1,747,264	1,311,934
Invent. res.	200,000	200,000
Capital stock	4,441,960	4,441,960
Capital surplus	797,676	797,676
Earned surplus▲	2,222,663	2,063,232
*After depr. of	3,291,672	3,035,137
†Market value	1,675,817	2,007,852
▲Incl. refund. EPT	333,854	223,935
Working capital	4,149,575	4,431,156

Traders Finance

Traders Finance Corp. reports that the organization is being held in a satisfactory position, ready to take its place in the consumer financing field when automotive production is resumed. In the year ended Dec. 31, 1944, there were purchased and cancelled 281 series "A" 6% cumulative redeemable preference shares of capital stock, 98 series "A" income funding rights and 76 series "B" income funding rights. President A. E. Taylor states that substantial recoveries of bad debts written off in previous years were made during 1944, and an excess of reserve for bad and doubtful accounts in the amount of $200,000 has been transferred to earned surplus account. Earnings of subsidiary companies were reported satisfactory.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Net income	$322,411	$383,104
Less: Deb. int., etc.	18,729	35,322
Income tax res.	96,207	123,300
Net profit	207,475	224,482
Less: Int. on rights	19,817	19,991
"A" pref. divds.	141,171	144,354
Surplus for year	46,487	60,137
Times int. earned	17.21	10.85
Earnings per Share and Dividend Record:		
Rights: Earned	$10.41	$11.17
Paid	1.00	1.00
Pref.: Earned	8.00	8.62
Paid "A"	6.00	6.00
Commons▲: Earn.	0.81	1.04
None paid.		
▲"A" and "B" common.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1944	1943
Cash & Dom. bds.	$1,040,255	$1,029,113
Marketable sec.	502,242	460,060
Accts. rec.	2,583,740	2,926,366
Sundry loans	98,537	94,410
Total curr. assets	4,224,774	4,509,969
Subs. inv. & adv.	1,488,255	1,351,885
Equipment, etc.	1	1
Total assets	5,713,030	5,861,855
Accts. & tax pay.	135,341	171,261
Dealers' res., etc.	355,092	378,764
Total curr. liab.	490,433	550,025
Funded debt	400,000	500,000
Unearned chgs. res.	146,572	223,792
Capital stock	2,402,243	2,430,343
Capital surplus	17,135	17,852
Earned surplus	2,256,647	2,139,843
Working capital	3,734,341	3,959,944

Northern Telephone Co.

Northern Telephone Co. reports a substantial increase in both revenue and expenditures for 1944. The total number of telephones in use on Dec. 31, 1944, was 17,060 as compared with 15,017 a year previous. This represents the largest yearly increase in the history of the company. During the year three rural lines were purchased from the Quebec Lands & Forests Colonization Department. Two of these are connected to the Amos exchange and the other to a new exchange opened at Barraute. New switchboard sections were purchased for Timmins and New Liskeard.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Gross earnings	$605,479	$529,289
Net earnings	213,662	201,068
Less: Deprec.	76,242	72,949
Other interest	634	829
Income tax	65,985	50,924
Net profit	70,801	76,386
Less: Dividends	47,796	47,796
Surplus for year	23,005	28,590
Earnings per Share and Dividend Record:		
Earned	14.8c	16.0c
Paid	10.0c	10.0c

CONDENSED BALANCE SHEET

As at Dec. 31:	1944	1943
Cash & Dom. bds.	$227,099	$167,126
Accts. rec.	45,610	34,781
Inventories	16,310	1,934
Total curr. assets	289,019	203,841
Unearn. ins.	70	299
Fixed assets	1,539,660	1,472,798
Total assets	1,828,749	1,676,938
Accts. & tax pay.	131,690	83,569
Other curr. liab.	21,661	20,111
Total curr. liab.	153,351	103,680
Unearn. rentals	29,393	26,500
Deprec. res.	780,109	703,887
Capital stock	477,960	477,960
Surplus	387,936	364,931
Working capital	135,668	100,161

Zeller's Ltd.

Zeller's Ltd. reports that the inability to secure sufficient merchandise to meet consumer demand continued to be the most difficult problem facing management in 1944. Sales and profits, however, show an increase over the previous year. Chairman W. P. Zeller points out that the net profit in 1944 is the highest on record, the increase over 1943 being partly the result of a recent amendment to the Excess Profits Tax Act.

Desirable properties have been acquired through purchase or lease for the opening of two new stores in Montreal and one each in Quebec City, Chatham and Calgary. These five, together with the previously acquired Vancouver property, will, when developed, add six new stores to the present total of 27. Enlarging and modernizing of a few of the present stores is also contemplated as soon as favorable conditions permit, Mr. Zeller reports.

On Aug. 1, 1944, 40,000 shares of new $25 par value 5% preferred stock were issued. Approximately one half of the proceeds was used for the purchase of real estate for future expansion, the balance being reflected in the liquid position.

CONSOL. BALANCE SHEET

Years Ended Jan. 31:	1945	1944
Operating profit	$1,172,415	$1,075,978
Less: Deprec.	169,849	193,180
Mtge. & deb. int.	13,820	16,270
Prov. for taxes▲	660,000	620,000
Net profit*	328,746	246,528
Less: 6% Pref. divs.	60,000	45,000
5% pf. divs.	25,000	......
Common divs.	125,000	125,000
Surplus for year	118,746	76,528
▲Incl. refund. EPT	85,000	85,000
*Note: Co.'s report includes ref. EPT in net profit and surplus for year.		
Earnings per Share and Dividend Record:		
6% pf.: Excl. ref. EPT	$8.22	$6.16
Incl. ref. EPT	10.34	8.29
Paid	1.50	1.50
5% pf.: Excl. ref. EPT	6.72	......
Incl. ref. EPT	8.84	......
Paid	*0.62½	......
*6 mos.		
Com.: Excl. ref. EPT	1.95	1.61
Incl. ref. EPT	2.63	2.29
Paid	1.00	1.00

CONDENSED CONS. BALANCE SHEET

As at Jan. 31:	1945	1944
Cash & Dom. bds.	$1,910,280	$1,139,908
Life ins. C.S.V.	24,300	22,000
Accts. rec.	43,924	32,847
Prep. exp., etc.	84,796	62,509
Inventories	754,605	941,033
Total curr. assets	2,817,905	2,198,297
Pf. stock purch. fund	50,000	......
Refund. EPT	223,166	145,000
Fixed assets*	2,377,892	1,913,853
Total assets	5,469,063	4,257,150
Accts. & tax pay.	907,482	895,580
Mtge. inst., deb. stk. pay	12,500	49,970
Total curr. liab.	919,982	945,550
Mortgage pay.	197,500	291,281
Capital stock	2,625,000	1,625,000
Pref. stock purch. res.	50,000	......
Note payable	130,000	......
Earned surplus▲	1,546,581	1,395,319
*After depr. of	1,594,491	1,435,951
▲Incl. refund. EPT.	223,166	145,000
Working capital	1,897,923	1,252,747

Canada & Dom. Sugar

Retained net profit of $1,328,120 of Canada & Dominion Sugar Co. for 1944 shows a decrease of $397,835 from 1943. Working capital as at Dec. 31, 1944, stood at $17,035,084, an increase of $149,045 over 1943. During the year an extra dividend payment of 20c. was paid on the common stock.

CONSOLIDATED INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Net earnings*	$2,556,122	$2,910,874
Less: Deprec.	328,002	234,919
Income tax	900,000	950,000
Net profit	1,328,120	1,725,955
Less: Dividends	1,500,000	1,200,000
Surplus for year	$171,880	525,955
*Incl. other inc. of:	312,337	627,550
‡Deficit.		
Earnings per Share and Dividend Record:		
Com. (new) Earn.	$0.89	$1.15
Paid	0.80+0.20	0.80

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1944	1943
Cash	$2,083,176	$2,265,893
Invest. in bonds	10,035,943	9,762,506
Accts. rec.	1,588,967	924,516
Inventories	5,048,056	5,165,937
Total curr. assets	18,753,142	18,118,852
Misc. assets	119,607	266,520
Fixed assets*	3,676,571	3,886,583
Total assets	22,549,320	22,271,955
Total curr. liab.	1,718,058	1,232,813
Reserves	2,875,000	2,875,000
Capital stock	14,000,000	14,000,000
Distrib. surplus	1,000,000	1,000,000
Earned surplus	2,956,262	3,164,142
*After depr. of	5,129,503	4,819,769
▲Market value	10,116,000	9,788,000
Working capital	17,035,084	16,886,039

Granby Elastic Web

Granby Elastic Web of Canada retained net profit was $43,915 in 1944 as against $38,974 for 1943. Certain contracts for war materials produced in 1942, 1943 and 1944 are still subject to re-negotiation with the Department of Munitions & Supply and it is impossible to say now what the final effect will be. The postwar prospect of the company shows very good possibilities, P. Horace Boivin, president, states. The plant is equipped to manufacture not only the regular goods, but a large number of additional new lines of civilian goods.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Net earnings	$193,181	$287,058
Less: Deprec.	49,266	48,084
Inc. tax res.*	100,000	200,000
Net profit	43,915	38,974
Less: Pref. divds.	30,695	25,126
Com. divds.	7,500	7,500
Surplus for year	5,720	6,348
*Incl. ref. EPT	12,846	32,705
Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$4.94	$4.31
Incl. ref. EPT	6.38	7.92
Paid	‡3.50	2.75
Com.: Excl. ref. EPT	0.65	0.46
Incl. ref. EPT	1.07	1.55
Paid	0.25	0.25
‡Includes payment of Feb. 1, 1945.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1944	1943
Cash	......	$42,158
Accounts rec.	$444,203	143,677
Investments*	84,321	109,439
Life ins., c.s.v.	2,189	1,808
Inventories	447,611	261,346
Total curr. assets	978,324	558,428
Ref. port. EPT	96,081	83,235
Fixed assets♦	538,789	574,582
Total assets	1,613,194	1,216,245
Bank overdraft & loan	191,132	......
Accts. & tax. pay.	397,572	202,189
Total curr. liab.	588,704	202,189
Reserves	43,821	32,825
Capital stock	762,051	770,051
Capital surplus	59,574	51,918
Distributed surplus	46,269	46,269
Earned surplus▲	112,775	112,993
▲Incl. ref. EPT	96,081	83,235
*Market value	84,300	109,000
♦After deprec. of	292,453	243,187
Working capital	389,620	356,239

New Salt Plant For Nova Scotia

Maritime Industries Ltd., Standard Chemical Subsidiary, Works New Mine

Standard Chemical Co. has recently organized a new wholly owned subsidiary, Maritime Industries Ltd., to establish a plant near Amherst, Nova Scotia, for the manufacture of salt, K. S. Maclachlan, president, Standard Chemical Co., states. Plans call for the construction of a plant capable of producing 120 tons of high grade salt per day and the employment of not less than 50 permanent employees.

A large body of good grade salt has been delimited as a result of drilling operations carried out under the direction of the Nova Scotia Department of Mines during the past several years. Extraction will be through boreholes drilled on the property. A suitable location for the plant has already been chosen and the proposed plant has been designed to produce the finest quality of salt for meat-packing, fish-packing table, dairy and other uses. It is expected a large proportion of the production will be sold to replace salt now imported and that a good volume of export business can be developed.

In making the announcement, Maclachlan states that while the project is largely a matter for postwar development, the drilling of the wells and construction of the plant will be proceeded with as quickly as material and equipment can be obtained without interfering with war activities. The project has been discussed with J. G. Godsoe, Chairman, Wartime Industries Control Board, and has been approved in principle and permits for construction and the necessary materials and supplies will be issued.

Goderich Salt Co., Goderich, Ont., which has for many years manufactured highest quality salt, is also a wholly owned subsidiary of Standard Chemical Co.

International Utilities Corp. directors, at a meeting April 11, 1945, declared a dividend of 37½c. a share on full common stock of the corporation, payable on June 1, 1945, to holders of May 15, 1945. Stockholders who have not yet exchanged their old certificates for $1.75 preferred stock, class A and class B stock, are notified that the aforementioned dividend was declared payable on June 1, 1945, only to holders of record of full shares of new common stock and will not be paid to holders of old certificates until these old certificates are surrendered for exchange pursuant to the plan of recapitalization.

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We would appreciate the opportunity to acquaint you more thoroughly with this modern method of financing. It may have some interesting possibilities for you. Please communicate with the address below.

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Free Enterprise in Action

SOME FACTS OF INTEREST TO THE PEOPLE OF CANADA

DURING the past year, the cash registers in Zeller's Stores rang up a total of over $10,800,000. Believing that our customers will be interested in learning where their money goes, we are outlining a few highlights from the Company's latest Annual Report. A copy of the report, as submitted to Shareholders, which gives more complete details of the Company's operations and policies, will be sent free on request.

Zeller's Limited is a Canadian Company, maintaining 27 retail stores in 26 cities across Canada. The Company operates in Canada only, and is not controlled by, or affiliated with, any other organization.

13th ANNUAL REPORT
ZELLER'S Limited
Year ended JANUARY 31st, 1945
ZELLER'S

$7,511,379 FOR MERCHANDISE

To provide for your wants, 69.13% of all money received in Zeller Stores in the past year ($7,511,379 out of a total of $10,865,015) was spent in turn by the Company in order to acquire the kind of merchandise that its customers wanted. More than 90% of these goods were made in Canada, so nearly seven million dollars went to the support of Canadian industries employing many thousands of people.

$575,000 GOVERNMENT TAXES

Zeller's Limited paid in taxes to the Canadian Government in the past year $575,000, or 5.29% of total receipts. This amount does not include $85,000 that will be refunded after the war. So, more than 5 cents out of every dollar spent in Zeller Stores went permanently into the public funds of this country.

$698,713 RENT, LIGHT, ETC.

All of the Zeller Stores in which you do your shopping have to be maintained as attractive, comfortable, well-lighted places, for your convenience, and 6.44% of all money received last year was used to pay rents, property taxes, light, heat, water, insurance, and the incidental expenses involved in keeping up property.

$1,506,736 REMUNERATION TO STAFF

The hundreds of employees who served you at Zeller's during the past year, received a total remuneration of more than a million and a half dollars, or 13.87% of all receipts. This sum includes not only their fixed wages but, in addition, a share of the profits which they received in bonuses or commissions. This conforms to the Company's long-established policy that the employees should participate directly, to some degree, in the Company's fortunes.

$289,862 PROFIT SHARING

All Zeller employees participate in some form of profit sharing. Many hold individual wage agreements, which provide for a generous fixed salary or drawing allowance, plus a commission based on a percentage of profits. All others, including former male employees now on active service, participate in a Standard Profit Sharing and Christmas Bonus Plan. The combined total of all bonuses and commissions amounted to $289,862, or over 19% of the total remuneration to the staff.

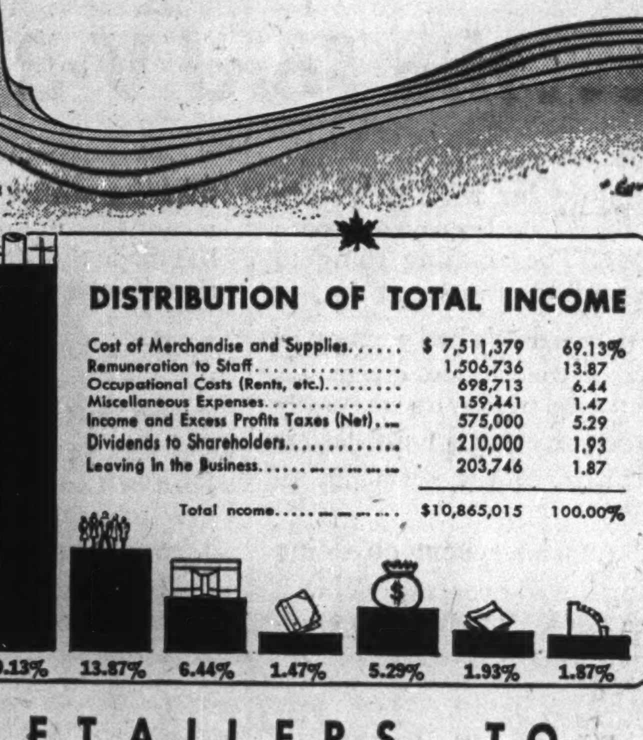
$48,687 EMPLOYEES' VACATIONS

All Zeller employees with six months' service or more are entitled to summer vacations with pay and all with two or more years' service are entitled also to winter vacations with pay. They received during their vacation periods last year total salaries and wages amounting to $48,687.

The Company has been in existence for thirteen years. During that time it has paid its own employees more than $10,500,000 in salaries, wages, bonuses and commissions; it has paid the Federal Government more than $2,500,000 in taxes; and has spent over $58,000,000 for merchandise and supplies. Over 90% of the goods sold by the Company are produced in Canada, and since the cost of merchandise is largely the cost of the labor required to produce it, it can be conservatively estimated that over the past thirteen years the Company's operations have resulted in more than $50,000,000 finding its way into the pay envelopes of Canadians. This includes those who work for the Company and those engaged in producing goods and bringing them to the Company's stores. For the same period the Shareholders, whose financing made it possible to establish the business, received $941,563.

The Company's policy is based on the firm belief that its success depends entirely on maintaining just relations with its customers, its employees, and its suppliers, and on its ability to be an asset to the communities in which it operates.

This is an example of modern Free Enterprise in action.



DISTRIBUTION OF TOTAL INCOME

Cost of Merchandise and Supplies	$ 7,511,379	69.13%
Remuneration to Staff	1,506,736	13.87
Occupational Costs (Rents, etc.)	698,713	6.44
Miscellaneous Expenses	159,441	1.47
Income and Excess Profits Taxes (Net)	575,000	5.29
Dividends to Shareholders	210,000	1.93
Leaving in the Business	203,746	1.87
Total income	$10,865,015	100.00%

ZELLER'S LIMITED
Head Office: 1253 McGILL COLLEGE AVE., MONTREAL
RETAILERS TO THRIFTY CANADIANS

DALHOUSIE UNIVERSITY
HALIFAX, N.S.
Chair of Accounting

The University will shortly proceed to the appointment of an Assistant Professor of Accounting, tenable from 1st July, 1945, or from such date as may be arranged.

The appointment will be full time, the professor to be free to engage in business practice during the long vacation. Salary will include provision for superannuation.

Three copies of application and testimonials should reach the undersigned before 19th May.

W. L. HARPER,
Business Manager.

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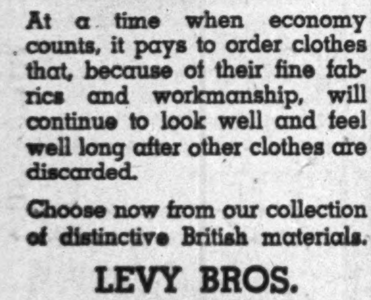

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Choose now from our collection of distinctive British materials.

LEVY BROS.
88 WEST KING STREET, TORONTO

In Your Opinion

(Continued from page 12)

ber of highly qualified teachers so that schools can conduct evening classes for young people and adults.

* * *

Dr. W. P. Percival

Director of Protestant Education for the Province of Quebec, Quebec.

Employers, trades unions, Canadian Manufacturers' Association, boards of trade and others should take steps to have all under age and illegal child labor prohibited. Existing school attendance laws should be enforced. The present trend to make schooling more attractive should be extended. The public attitude should be changed so as to demand that full educational opportunities be afforded to all who can profit thereby. The school-leaving age should be raised to 16 years for full time and 18 years for part time as recommended in the report of the Survey Committee of Canada and Newfoundland Education Association. Offers of highly remunerative jobs for adolescents are too alluring and should be curtailed or forbidden in postwar days.

* * *

Dr. G. Fred McNally

Deputy Minister of Education, Edmonton.

No work permits are issued in Alberta to children below the full age of 15 and it illegal to employ children without such a permit. School attendance laws enforced equally rigidly agree with the Report of the Survey Committee of the Canada and Newfoundland Education Association. The school leaving age should be 16 with part time attendance to 18. Programs of study of intermediate and secondary schools should be so diversified and flexible as to meet the needs of all children no matter what their intellectual capacity. Opportunities for education beyond elementary grades must be made available to all children without regard to where they live or the financial status of the parents.

* * *

Dr. Carleton Stanley

Former President, Dalhousie College and University, Halifax.

"War is a hard master," Thucydides said long ago. Further, as all students of history know, the aftermath of war entails reactionary and repressive measures, whether the war be fought for liberty or not. The first reform bill, which no one at the time considered very adequate, was not passed until seventeen years after Waterloo, and the third reform bill was passed fifty-two years after that battle. The frustration of human potentiality will continue in our time long after our victory. We must consider these things in a historic light. This does not mean, however, that the friends of children, the friends of education, the friends of human endeavor should not protest and keep on protesting against illegalities and against the dearth of real education in the coming generation.

* * *

Dr. D. S. Woods

Dean of Education, University of Manitoba, Winnipeg.

Steps basic to strengthening the holding power of the school are:

1. The enlargement of the local rural area of school administration
   (a) to assist in making possible
   (b) diversity of curriculum and
   (c) more adequate school leadership.
2. The equalization of local school district ability through increased aid to all senior high school types of curricula.
3. Raising the standards of teacher training, academic, technical and professional, more especially the latter, to cope with the need for more adequate clinical procedures in the management of children.
4. Equitable teacher remuneration.
5. Improved living conditions in school and community.
6. Increased attention to training in health, art, music and reading.
7. Abundant opportunity for casual learning.

* * *

Charlotte Whitton

Former director, Canadian Welfare Council, Ottawa.

1. Fundamental for this purpose are extended facilities for withdrawal from ordinary curricula of mentally defective and feeble minded who cannot benefit thereby, with segregation, specialized training and supervised gainful occupation varying with capability. Under present conditions many of these would now be better in a useful occupation than continuing in unsuitable courses with prejudicial results for self and class.

2. Elimination of the pernicious system of loose permits for long periods in the school year.

3. Co-ordination of Dominion employment, provincial statutory, and municipal enforcement provisions with well-integrated parent counselling, vocational selection guidance, apprenticeship and placement facilities. It is essential that these be diversified to serve practical agricultural, forestry and mining conditions in actual areas of such activities. Too much technical training is pitched to urban demand in business, commerce, industry. All along the line we need controlled scholarship and training grants vested in provincial and local authorities, who alone have constitutional authority for enforcement of teen-age hostels and camps for working youngsters providing part-time continued instruction. It is also beneficial to understand this part of British plans. The present family allowance measure threatens to bonus the gainful working youngsters and adolescents since there are no deductions for earnings and the minister is free to approve alternate activities while the Dominion entirely lacks any power to enforce school attendance.

BUY VICTORY BONDS
MAKE VICTORY STICK

COMPANY REPORTS

McKenzie Red Lake

With development work carried on at the expense of production, McKenzie Red Lake Gold Mines in 1944 showed considerably lower profits as noted below.

President F. D. Reid stated that policy has been to maintain working capital at $500,000, paying out in dividends anything available over that amount. Consequently $205,449 was paid as dividends last year.

Preparations have been completed for sinking an internal shaft from 1,250 ft. to the 1,650-ft. horizon. Drilling holes into the footwall and hanging wall of the main shear returned some interesting intersections last year which remain to be investigated.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Mine output	$ 733,913	$ 952,703
Less: Oper. exps.	560,530	544,740
Net oper. earn.	173,383	407,963
Add: Other income	8,072	24,427
Total net earns.	181,455	432,390
Less: Deprec.	19,693	17,281
Inc. tax res.	44,044	113,408
Net profit	117,718	301,701
Less: Dividends	205,450	322,850
Deficit for year	87,732	21,149
Earn. per share	$0.04	$0.10
Paid	0.07	0.11

CONDENSED BALANCE SHEET

As at Dec. 31:	1944	1943
Cash & bullion	$ 101,943	$ 274,281
Dom. bonds	250,000	145,000
Accts. rec.	17,185	12,139
Due from mng. co.	......	923
Refund. Ont. mine tax	759	......
Stores, etc.	179,460	154,385
Total curr. assets	549,347	586,728
Devel. & mine exp.	8,693	13,909
Misc. assets	7,681	11,697
McMac shs., etc.	625	55,564
Min. prop. & rts.	1,610,051	1,610,051
Bldgs. & equip.*	55,556	53,949
Total assets	2,231,953	2,331,898
Accts. payable	32,951	37,172
Tax reserve	14,044	62,408
Total curr. liab.	46,995	99,580
Common stock	2,221,499	2,221,499
Surplus	†36,541	10,819
*After depr. of	464,697	450,219
†Deficit.		
Working capital	502,352	487,148

OPERATING STATISTICS

	1944	1943
Tons milled	78,279	85,973
Aver. recovery	$9.38	$11.08

Lamaque Gold

A 39.3% decline in earnings to 20.6c. a share was experienced by Lamaque Gold Mines in 1944, but positive ore reserves showed an increase of 21% to 2,530,212 tons.

Reduced earnings are stated to reflect unfavorable operating conditions. Lamaque's policy will continue to be one of conservation, and constructive preparation for an eventual resumption of full-scale operation, states President D. L. H. Forbes.

By far the bulk of ore milled during the year came from above the 1,800-ft. horizon. A new vein 300 ft. north of No. 7 shaft has been exposed in the 2,900 and 3,000-ft. level crosscuts, but has not yet been drifted on.

INCOME ACCOUNT*

	1944	1943
Bullion production	$2,032,328	$2,930,595
Add: Invest. inc.	21,445	23,443
Less: Oper. exp.	1,103,028	1,365,956
Net oper. profit	950,745	1,588,062
Less: Deprec.	87,873	144,430
Dom. inc. tax‡	243,640	434,303
Net profit‡	619,232	1,009,349
Less: Dividends	570,000	1,350,000
Surplus for year	49,232	†340,651
‡Incl. refund. EPT	......	10,400

*Consolidated statement. †Deficit.

Earnings per Share and Dividend Record:

	1944	1943
Com.: Excl. ref. EPT	$0.206	$0.336
Incl. ref. EPT	0.206	0.339
Paid	0.19	0.30+0.15

CONDENSED BALANCE SHEET

As at Dec. 31:	1944	1943
Cash & bullion	$1,007,679	$1,666,160
Gt. bds., treas. bills	2,104,958	1,405,918
Accts. rec.	18,916	26,536
Inventories	105,084	106,220
Total curr. assets	3,236,637	3,204,834
Prep. & def. chgs.‡	42,808	46,998
Theat. & hotel ints.	74,561	74,561
Props. at cost	203,395	203,395
Plant & equip.▲	74,764	153,293
Total assets	3,632,165	3,683,081
Accts. & tax. pay.	304,770	254,988
Dividends payable	151,953	301,883
Total curr. liab.	456,723	556,871
Capital stock	750,004	750,004
Surplus‡	2,425,438	2,376,206
▲After depr. of	2,018,574	1,930,701
‡Incl. ref. EPT	24,000	24,000
Working capital	2,779,914	2,647,963

OPERATING STATISTICS

	1944	1943
Ore reserves, tons	2,530,212	2,083,533
Grade, dwts.*	4.29	4.36
Tons milled	203,435	269,535
Average recovery	$9.99	$10.87

*A pennyweight is equivalent to a twentieth of an ounce of gold.

Ault & Wiborg Prop.

Net profit of Ault & Wiborg Proprietary Ltd. for 1944, shows some slight improvement over 1943. All subsidiaries are operating on a profitable basis, and sales for the first two months of 1945 have been well maintained, A. C. Ransom, chairman, states.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Oper. profit*	$339,049	$340,142
Less: Inc. tax res.‡	148,505	157,213
Net profit	190,544	182,929
Less: Pref. divds.	24,728	24,728
Com. divds.	36,000	36,000
Surplus for year	129,816	122,201
‡Incl. refund. EPT	4,551	8,455

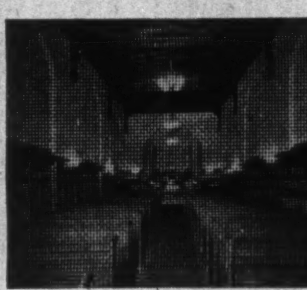
*After depreciation.

Earnings per Share and Dividend Record:

	1944	1943
Pref.: Excl. ref. EPT	$63.73	$40.69
Incl. ref. EPT	65.25	42.57
Paid	5.50	5.50
Com.: Excl. ref. EPT	3.68	3.52
Incl. ref. EPT	3.79	3.70
Paid	0.80	0.80

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1944	1943
Cash	$56,239	$100,760
Accts. rec.	218,082	204,769
Investments†	427,310	347,926
Inventories	472,621	532,869
Total curr. assets	1,174,252	1,186,324
Misc. assets▲	20,156	21,067
Fixed assets*	481,791	511,390
Total assets	1,676,199	1,718,781
Total curr. liab.	169,835	141,030
Gen. reserve	75,000	54,940
Other liabs.	11,336	61,962
Capital stock	419,000	569,600
Distrib. surplus	277,254	277,254
Earned surplus▲	723,774	613,995
†Market value	508,459	393,526
*After depr. of	708,429	666,800
▲Incl. refund. EPT	17,938	13,387
Working capital	1,004,417	1,045,294



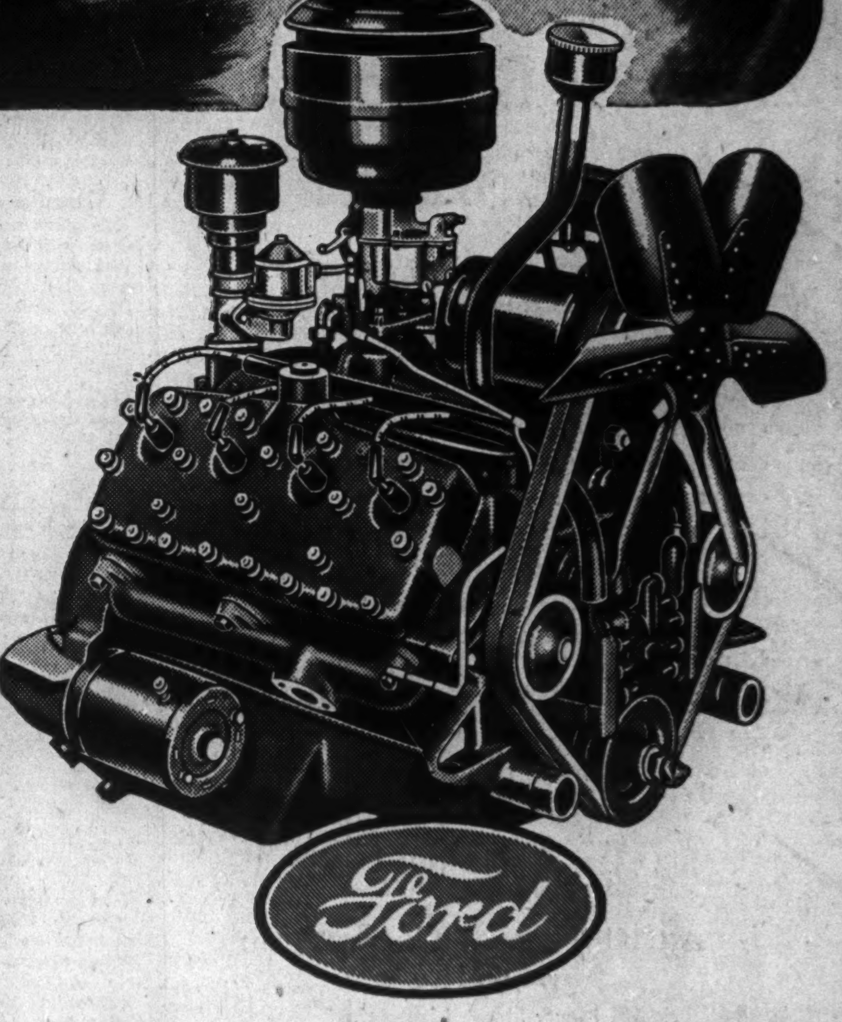
The chapel is commodious, convenient, beautifully and appropriately appointed. Equipped with pipe organ. The Chapel is completely Air-Conditioned.

¶ Services are held here under ideal conditions.
(There is no additional charge.)
Cremation Carefully Attended to if Desired.

A. W. MILES
FUNERAL DIRECTOR
30 ST. CLAIR AVE. WEST
HYland 5915 HYland 4938

Anglo Rouyn Mines reports ordering compressor and double drum hoist for delivery when shaft sinking operations are sanctioned by the Government. The new shaft is expected to be sited to the east of the old workings, and between the old shaft and the new north gold zone. The company reports approximately $175,000 cash on hand with other substantial investments in bonds and holdings. Drilling is to be conducted east of the major north-south diabase dike.

Our Ford runs like new!
NAVAL SERVICE
Our Ford runs like new!



Long life . . . low upkeep
. . . the Ford V-8 Engine

ALL THE FORDS on the road today are growing old—there have been no new ones made since 1942. The amazing thing to owners is how well they've stood up.

In many cases they haven't had the best of care, for many of the skilled mechanics who formerly tuned them up regularly are in the armed forces, and Ford dealers must give priority to the servicing of essential transport.

The way Ford cars have kept on doing their duty during the war years speaks well for the way the Ford V-8 engine is engineered and built. Its rugged simplicity has meant low upkeep cost. Its fuel economy has made thousands of Canadians thankful they owned a Ford when the war came on.

Will the post-war Ford be powered with the same V-8 engine? Yes, a V-8 with all the battle-tested refinements resulting from the war years. Continuously since 1942 Ford of Canada engineers have developed new refinements to enhance the performance of the V-8 engine in the war zones. In the post-war models all these engineering advancements will be offered to you at once.

FORD MOTOR COMPANY OF CANADA, LIMITED

INVEST IN THE BEST

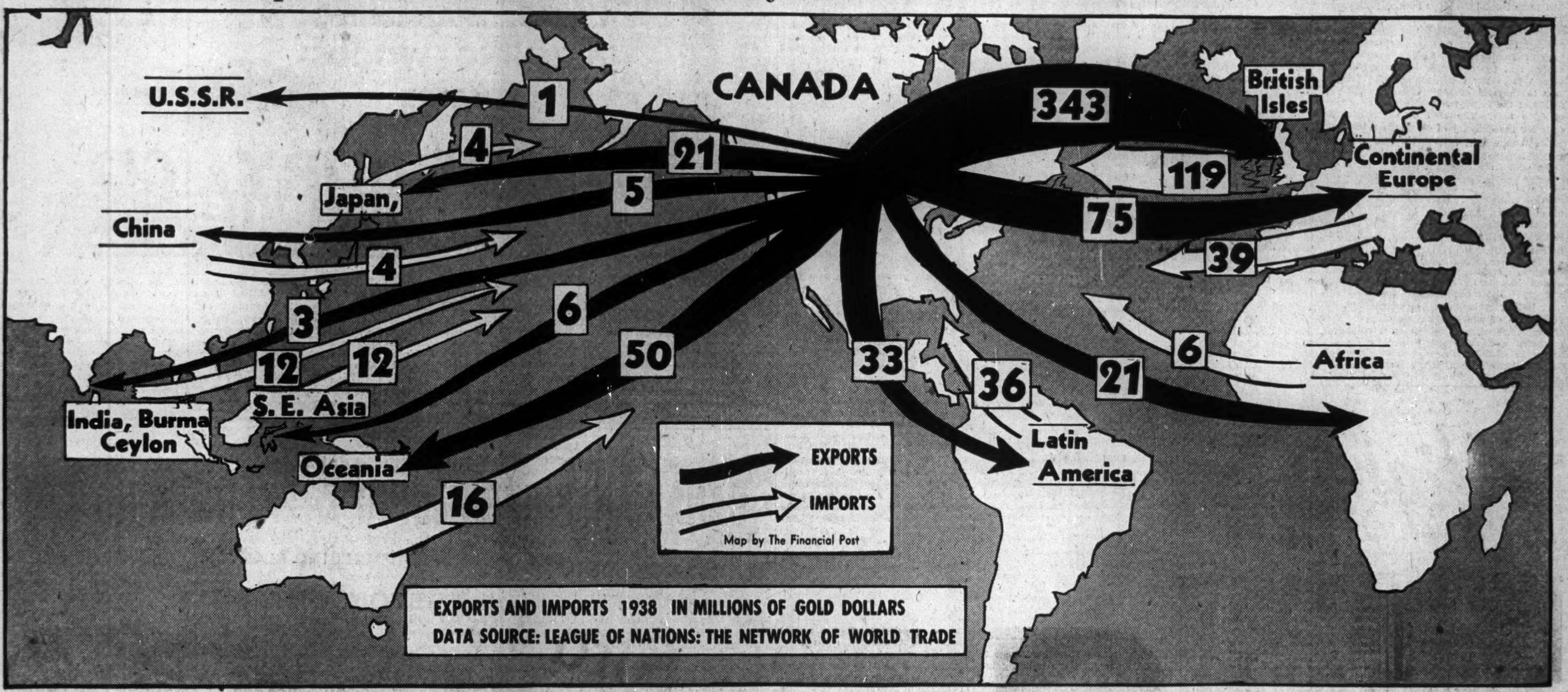
The Financial Post

INVEST IN THE BEST

Vol. XXXIX | Ten Cents an Issue, Five Dollars a Year | Publication Office: Toronto, April 28, 1945 | Member of Audit Bureau of Circulations | No. 17

Trade and Shipping — Twin Props of Prosperity

Here, Their Importance Indicated in Millions of Dollars, Are Canada's Oceanic Trade Arteries



EXPORTS AND IMPORTS 1938 IN MILLIONS OF GOLD DOLLARS
DATA SOURCE: LEAGUE OF NATIONS: THE NETWORK OF WORLD TRADE

As citizens of the world's fifth trading nation, few people were more vitally concerned with shipping than were Canadians before the war. But today Canada has become second only to the United States in the trading nations of the world. Nearly a third of her national income arises out of international trade. Because so many of Canada's markets lie overseas, and because the goods Canada imports and exports are bulky and heavy, most of this trade has to be waterborne.

The above map shows the size and direction of Canada's overseas trade, as it was in 1938. The arrows point to the general regions with which Canada traded before the war; the black arrows indicating the countries to which we exported, the white arrows showing the countries from which we imported. The numbers on the arrows, and their breadth at their widest point, indicates the volume of exports and imports going to and from each region, expressed in millions of pre-war dollars.

War changes may alter the trade pattern, but will not reduce the importance to Canada of a high volume of interchange with territories from which she is separated by large bodies of water. If, as the recent White Paper hopes, Canada's trade increases 15% (by volume) over pre-war, much of the increase will likely be from more shipments to the countries indicated above. For all these reasons, Canada is vitally interested in who builds, who owns, and who controls the ships of the postwar world.

New Designs, New Skills Boost Our Shipbuilding

Not long ago a group of labor officials met in Ottawa to discuss the future of shipbuilding. From a highly competent official with a long knowledge and experience in this field they learned that "opportunities for shipbuilding in Canada in the next two or three years are the best that this country has ever seen."

At the present time about 50,000 men are employed on new shipbuilding construction in Canada. This compares with an earlier wartime peak of 66,000; about 60,000 were employed in September, 1944. This program is expected to carry through until the end of 1945.

Since the start of the present world War, Canada has risen from a position of practically zero in shipbuilding to hold third place among the shipbuilding nations of the world.

Between 1930 and 1939, Canadian shipyards built but 14 steamers exceeding 150 feet in length, three of these on Government order and all of the others under 1,800 tons, for lake and river trades. Throughout this period, repair jobs and the construction of a few minor craft was all that kept most of the 12 or more active plants functioning, and a number of the yards were forced to develop business in the industrial field to cover overhead.

When the Second World War broke, grass was growing in the launching-ways of many Canadian shipyards, the cranes and other equipment were gathering rust, expensive machinery in some shops had been idle for years. With the enemy destroying Allied shipping at a fast rate, Canada's shipyards were called upon to help out, and in a remarkably brief space of time they were producing ocean-going freighters, corvettes, minesweepers, and later destroyers, frigates, tankers, tugs and landing-craft.

Canadians in Shipbuilding

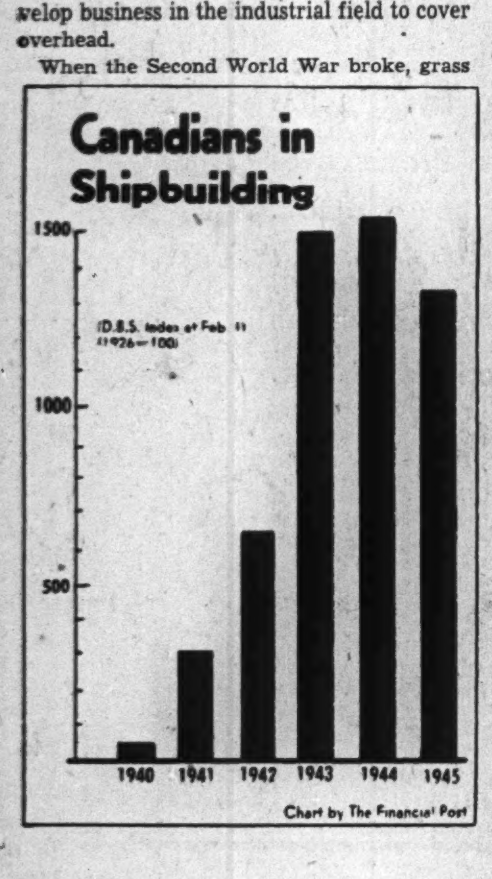


Chart by The Financial Post

Making a Ship a Day

Wartime production and deliveries by Canada's shipyards up to the end of 1944 included 314 cargo ships of 10,000 tons, 31 cargo ships of 4,700 tons, 368 frigates, corvettes and minesweepers. For 1945, Canadian shipyards are scheduled to produce for the Government 40 cargo ships of 10,000 tons, 12 of 4,700 tons, in addition to transport ferries and various other naval ships. On top of these orders, some shipyards are engaged in production of cargo ships for foreign governments, as well as a varied assortment of smaller craft. For some time Canadian shipyards have been turning out a ship a day—or better—to meet wartime needs.

By 1942 shipbuilding had attained second position in Canada's industrial economy. In 1943 gross value of production at shipbuilding and repair plants totalled $315,228,000. This total was exceeded by only three other Canadian industries—slaughtering and meat packing, pulp and paper and "miscellaneous chemical products." Inasmuch as the latter two classifications applied to groups of industries rather than single industries, in effect shipbuilding held second place among major Canadian industries.

About 90% of the present contracts are on vessels for the Pacific War. Thus the coming of V-E day will have little effect on shipbuilding employment and activity.

But where are jobs for even 30,000, let alone 50,000, shipbuilders to be found, as the Pacific War goes into its final stages?

Because shipbuilding is a heavy industry which has provided large-scale employment during the war, the possibilities of maintenance of activity of this industry after the war are receiving close attention in Government and industrial circles. In the past, in Canada, shipbuilding hasn't had much special attention. And, except for the early years of Canada's history, and during the two world wars, shipyard activity in the Dominion has consisted mostly of ship repair work—very little shipbuilding itself.

New Developments Under Way

Apart from governmental overhauling on the administrative level outlined on this page, some important new developments are under way to see if this country can design and produce a special type of cargo vessel that would be suited to our yards and skills, and would be acceptable and useful on the trade routes of the world.

Exactly such a vessel is now being developed.

Although there has been little or no publicity given this matter, work is now well advanced on production of a fast, Diesel-powered, 7,500-ton (deadweight) cargo vessel of Canadian specifications and construction. Engines for three of these craft are now being made by Canadian Vickers. It is expected that contracts for the building of some of these ships will be allocated shortly.

This vessel would be in the 15-knot class. Actual work on the design has been in the hands of U. S. naval architects working to Canadian specifications. It is said to have passed tests both here and at Washington with flying colors.

Such a vessel would, it is felt, have many uses and, if it can be produced at reasonable cost, is expected to command a very important market during the next two or three years. Already a very considerable number of enquiries have come to Canada from all parts of the world for information about Canadian ships. The complete list of such enquiries covers many typewritten pages. Included are many countries in South and Central America, France, the Netherlands, Portugal, and others.

Of course it was something of a blow when Canada lost the hoped-for order for 30 Netherland ships last year but within the next six, eight or twelve months it is expected that there will be a number of further opportunities presented to Canadian yards to see how their "wares" stand up against similar offers from builders in other lands. The first

(Continued on page 23, col. 1)

United Nations Authority Controls Ships After V-E

OTTAWA.—Immediately on the declaration of V-E Day the new United Nations shipping authority will start functioning. It will replace the present U. K.-U. S. Combined boards.

At the disposal of this new council will be 75 to 80 million gross tons of merchant shipping — the greatest tonnage in world history. Its job will be one of the greatest maritime tasks in history — the job of aiding our withdrawal from Europe; of establishing and servicing the accelerated Pacific war effort and at the same time shuttling into place the colossal quantities of foodstuffs, supplies and materials of all sorts needed to feed and rebuild Europe.

Besides being of very practical importance and usefulness this new authority is significant for another reason: it will be the first "operating" United Nations organization created to take over the work that has been done on a wartime basis by the Combined U. S.-U. K. Boards.

This new authority was agreed upon at the London Shipping Conference last August. Originally there were eight nations in the membership of the over-all body (named the United Maritime Council). These nations were: United States, Britain, the Netherlands, Norway, Canada, Greece, Belgium and Poland. Now Australia and India have joined. France is expected to join shortly if she has not already done so.

Executive Management—Four Nations

The executive management of the "Pool" is called the United Maritime Executive Board. This comprises only four nations—U. S., Britain, Norway and the Netherlands. All the other "member" nations (including Canada) have only associate membership on the Executive Board.

According to the London agreement, the life of this new organization will last only until six months after the end of the Jap war. Whether it will have a continuing existence beyond that time will depend on many things: the general success of United amity and economic co-ordination at that time; the over-all dearth or surplus of world tonnage; the success with which the member nations are able to work together on this problem as they broaden to include other than Britain and the United States, and as big commercial interests and considerations replace purely wartime demands.

Canada an "Observer"

Canada, for the first time, finds herself vitally interested in the work and deliberations of this new authority. Since it was agreed upon last August, two meetings of the Executive Board have been held, one in London and one in Washington. At both of these Canada had an "observer." The general understanding is that while Canada (and other nations which are merely members of the Council) have only associate membership on the Board, they are entitled to sit in and take part in any discussion which affects their particular country.

Canada's stake in world merchant shipping tonnage by the end of the war is currently placed at something like 300 ocean-going vessels of close to 2.5 million tons and with a cost value of possibly $500 and $600 millions. This compares with 37 vessels of 227,000 tons in 1939.

Such postwar estimates are of interest chiefly during the "transition" period — a period which may end as soon as six months

(Continued on page 23, col. 1)

War Makes Major Changes In World Holdings of Ships

War's exigencies govern the Allied Nation's shipping until the peace, and while Canada's pre-war pigmy deepsea merchant fleet of 20-odd vessels will likely have grown to 200 vessels available for peacetime traffic, it is not likely Canada will enter sea trade in accordance with its new strength.

Some idea of available gross shipping tonnage distribution may be gained from a comparison of pre-war actual breakdown (in %) with a forecast of peacetime strength:

	Actual July '39	Peacetime Estimate
Britain	26	21.0
Canada	.7	4.5
Other Dominions	3.9	4.5
France	4.3	1.4
U. S.	16.6	50.0
Scandinavia	11.1	8.0
Belgium, Holland	5.0	2.5
Italy	5.0	..
Japan	8.2	--
Germany	6.5	..
Rest of world	12.7	8.1
	100.00	100.00

The foregoing is based on 68.5 million tons pre-war and about 81 millions tons postwar.

Postwar Shipping Headache

Postwar appraisal of shipping strength is rendered futile by the fact that Russia poses a big question. The United States, among the Allied group, is far ahead of anyone else. No one can say with any degree of certainty how many ships any nation can maintain in profitable postwar service. The problem has two dominating phases of postwar economy:

(1) the period of transition from V-J day to peace.

(2) the era of resumption of normal world trade conditions.

Canadian government leaders tend to shy away from any bold plan of embarking on a strong overseas shipping service. Canada built and tried to operate a fleet of merchant ships after the Great War, found the experiment costly and unsuccessful.

But Canadian shipping men, noticeably British Columbians, argue that Canada can play a bigger part in postwar ocean transport and use war-built ships to advantage. Somewhere between these extremes a compromise may be reached but the ramifications are numerous.

Some sources claim there are few prospects of outlets for used but no longer useful ships, but point to the Greeks' merchant marine as an attractive market for second-hand and obsolete vessels, and add that the United States already has its eyes on this market.

Canada's investment in merchant ships represents more than $500 millions and postwar problems include:

(a) protection of that investment;

(b) provision of personnel for our postwar merchant navy (Canada may decide as a matter of policy to keep a limited merchant marine under government supervision and with government assistance);

(c) possible maintenance of some form of mutual aid after the war, or of some alternative assistance to the rehabilitation of world shipping.

Federal government policy will determine to what extent Canada would enter into any world scramble in merchant marine competition, and the whole problem is expected to come up for study and consequent action at the San Francisco conference.

Britain's Remarkable Recovery

Important from a Canadian point of view is the fact that Britain's freighter setup is coming out of the war much stronger than expected, in sharp contrast with the French fleet which has had its tonnage cut to 59 ships (900,000 tons) as compared with pre-war 2.3 million tons.

Britain, Canada's biggest overseas customer (took 35% of Canadian goods in 1939) lost 40% of her liners, but she has had only a net loss of 23% in vessels of all categories in excess of 1,600 gross tons to the end of

(Continued on page 23, col. 2)

Merchant Shipping Of the World

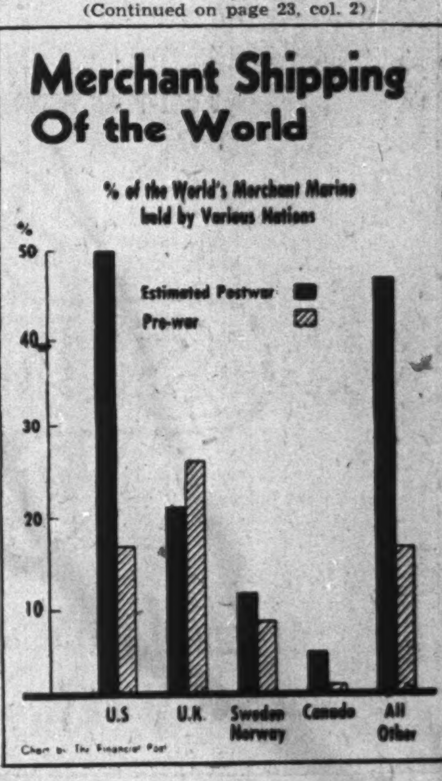


Chart by The Financial Post

Canadian Shipyards Astound Allies With Speedy, Sound Production

During the war years, Canada's shipbuilding industry has become of major importance to the victory effort of the United Nations. Last year, the launching of the 1,000th ship built in Canadian shipyards since 1939 spotlighted the industry which has achieved one of the most outstanding records in the annals of Canadian production. It is estimated that at Dec. 31, 1944, Canada had turned out 1,000 ships and over 7,000 other craft—starting from scratch.

Recently, Hon. C. D. Howe, Minister of Munitions and Supply, revealed that the deliveries of cargo vessels from the beginning of the war to the end of 1944 amounted to 314 of the 10,000-ton type and 31 of 4,700 tons. The 1945 program calls for the delivery of 40 ships of 10,000 tons weight and 12 of 4,700 tons. This involves the building of ships which are equipped as floating machine shops for maintenance of naval vessels, and others as stores-issuing ships. With regard to naval vessels, Mr. Howe declared that the delivery of frigates, single screw corvettes and Fairmiles is now complete. In 1945 deliveries call for 52 transport ferries, 41 minesweepers and 73 tugs. It is also expected that two Tribal class destroyers will be completed. Last year deliveries included 123 escort vessels, 70 of which were frigates, 174 minesweepers, 122 single-screw corvettes and 88 Fairmile patrol boats. In addition, there were delivered 1,026 Minca barges and 1,612 ramped cargo lighters, plus other small craft.

Million-Dollar Plant

The unusual achievement of the shipbuilding industry in Canada during the war years has involved millions of dollars in plant and equipment and the employment of many thousands of skilled personnel. The question of what will happen to both plants and employees when the war is won is of great interest to many groups in this country.

Meanwhile, the tools of war which the industry has supplied have helped Canadian sailors build an enviable war record. Navy Minister Macdonald recently told Parliament that the Canadian naval unit for the Pacific war "will be a good deal more than a mere token force." He announced that the cruiser Uganda is already in Pacific waters and a second medium cruiser will be commissioned in the near future. There will likely be two aircraft carriers as well, operating in the Pacific theatre along with a number of destroyers and frigates. Aside from outlining plans for the future, Mr. Macdonald told of the RCN's convoy activities in the Atlantic. Since September, 1939, more than 200,000,000 tons of cargo have been moved over the North Atlantic and British and American ships have made a great contribution to the success of this gigantic operation.

Half of Escort Work Canadian

"I am proud to point out," the Navy Minister said, "that at certain periods within the last few years more than half the entire burden of transatlantic escort work fell upon the shoulders of the Royal Canadian Navy."

He added that more than 100 ships were supplied for D-Day, and the Navy's ships have sunk, destroyed or shared in the destruction of 21 enemy submarines, have probably destroyed eight and probably have damaged seven more since the beginning of the war.

Such is one of the jobs that Canadian sailors have done with equipment supplied to them by Canadian shipyards. The extent of the production of that equipment has been remarkable when the facilities for turning out large numbers of vessels when war demanded them are considered. There were 14 fairly large yards with limited facilities and about 15 smaller boatworks in 1939. Since then the industry has been built up to comprise 21 major yards, four major outfitting yards and about 65 smaller boatbuilding industries. Existing shipyards have been greatly expanded and piers, machine shops, graving docks, marine railways and a large floating drydock capable of berthing two ocean-going vessels at one time, have been erected for ship repairs. There were only nine berths available for the construction of large ships in 1939, and today there are more than 50. Ships have been launched not only from seaboard provinces, but from yards along the St. Lawrence River as far inland as Port Arthur, more than 1,700 miles from the port of Halifax. Mines, plants and factories across the country have contributed tons of materials and finished products.

Employment Rises

The number of people engaged in the business of shipbuilding has risen from 4,000 men employed at the beginning of 1940, to more than 100,000 men and women, including workers in component industries. It has been officially stated that the peak of the shipbuilding program in Canada was reached in fiscal year ending March, 1944. In that year vessels worth $414 millions were turned out. It is expected that the dollar value this year will be about 15% less as a result of a change-over to ships of more difficult types from the building standpoint, and since the output of certain classes of naval vessels is considered sufficient to meet all requirements. But it is believed that the demand for new types of maintenance, landing and other craft will be sufficient to fill Canada's capacity.

Although between World War I and the present war not one seagoing merchant ship was built in Canada, more than 900 of the 1,000 ships produced have already been delivered. Canada's own merchant ships have been filled by more than one third of its production. More than 100 ships have been delivered to the United Kingdom under Mutual Aid to be operated by the British Ministry of War Transport and to be returned to Canada after the war. Ninety merchant ships have been sold outright to the United States and two to the United Kingdom. Canadian-launched combat vessels now number 500, of which 451 have already been turned over to the Royal Navy or the Royal Canadian Navy.

Transport Ferries Tough to Build

The largest warships built in Canada are transport ferries. The British Admiralty designed them specially as part of an immense flotilla intended for large-scale amphibious operations. This particular improved type is difficult to build, and Canadian shipyards were the first in the world to turn them out.

In addition, Canada has turned out thousands of small craft of different types for the use of the Army, Navy and Air Force. Many are manufactured in small inland boat works that before the war were famous for pleasure craft. It is estimated that it would require about 50 miles of wharves to dock Canada's vessels stem to stern. It would also require an area of about 12,000,000 sq. ft. to anchor them.

Shipbuilding in this country, however, is more than a wartime industry, as history shows. It has been a substantial industry in provinces where there was a seafaring population. A memorandum prepared by the Canadian Shipbuilding and Ship Repairing Association states that two small ships were launched at Port Royal, N.S. (now Annapolis Royal,) as far back as 1606. A seagoing vessel was built in Quebec in 1663 and others followed, and in 1672 a 400-ton ship (which was a large vessel for the time) was built at Anse des Meres, Quebec.

Premium of 500 Francs

The French Minister of Marine in 1731 offered a premium of 500 francs for every merchant ship of 200 tons or more built in Canada and sold to France or the French West Indies. A shipyard was subsequently established on the banks of the St. Charles River at Quebec and 10 merchant vessels were built there in 1732. It is usually stated that this was the beginning of Canadian shipbuilding as a commercial enterprise. By 1739 the industry was motivated by war, although born in times of peace, and orders were given to build warships for the French Navy in preparation for threatening hostilities. Presumably the first warship to be built in Canada was launched in that year and in succeeding years other ships were built, one of them, built in 1750 mounting 70 guns.

Canadians of French and British origin embarked on shipbuilding to utilize the enormous timber resources of the country after the conquest of Canada in 1759. From the forests they drew the materials for making ships and the logs, spars and staves for cargoes. By 1840, shipyards were well established in the Maritimes and Quebec. Many of the big cargo carriers built were sent across the Atlantic and sold in Great Britain. Seaworthy Canadian ships were to be found on all trade routes to India, China, Australia, Africa and South America.

Gold Rush Transport

During the gold rush to Australia Canadian ships transported thousands of people from the United Kingdom. The Crimean War and the Indian Mutiny also gave the industry impetus, and during the 70's, "Bluenose" ships were in all world ports. By 1878 this country ranked as fourth among the ship-owning nations of the world.

In 1865 an iron steamer was built at Montreal and another at Sorel, and by the beginning of the 20th century the Dominion had four graving docks as well as a number of smaller drydocks, floating docks, marine ships and gridirons. The wooden shipyards of eastern Canada declined with the advent of iron and steel ships and although the tonnage registered in Ontario and Quebec increased, that of the Maritimes decreased substantially and total Canadian tonnage showed a decline. As a consequence, Canadian-built ships on the high seas gradually disappeared.

But lake traffic was substantial and in 1902 the first Canadian shipyard on the Upper Lakes was established. There was also considerable activity on the Pacific Coast where coasting vessels and smaller types of ships were constructed. None of the steamers built in Canada up to 1914 were for transocean service, however, and on the whole Canada's deep-sea marine had disappeared. The outbreak of war in 1914 brought a demand from Canadian, British and Allied governments for transportation of supplies, and the German submarine menace increased the need for cargo ships and minesweepers. The companies which were existing at the time sprang into action and adaptable plants were utilized for building ships.

Before the war was over, the Canadian Government had decided to operate its own merchant fleet and deliveries of the first units which began in 1919 were completed by 1922. The ships were operated profitably for a time, but when European nations had recovered from the war sufficiently to regain their own shipping trade it was necessary to abandon this plan. Between 1930 and 1939 the Dominion's shipyards built only 14 steamers exceeding 150 ft. in length. This was the situation when Canada was called upon in 1939 to defeat the enemy on the seas.

The tremendous production since that time has been summed up by Vice-Admiral Sir Alfred Evans, head of the British Admiralty technical mission in Ottawa. He paid the following tribute to Canada's shipbuilding industry on the occasion of the launching of the 1,000th ship built in Canada:

"It is in no small measure due to Canadian shipyards that the Battle of the Atlantic was won, that today the oceans do not sever but link up the United Nations; that immense armies and air fleets smash Germany's defences and that the bastions of the Japanese Empire are constantly and successfully assailed. The Royal Navy and the British Admiralty are proud to acknowledge their debt."

Shipbuilding

—The War Record—

TO THE END OF 1944 WE DELIVERED:

10,000-ton ships	314
4,700-ton ships	31
3,600-ton tankers	6
Tugs	182
Frigates, corvettes and minesweepers	368
Fairmile patrol boats	88
Motor boats	24
52-foot ramped, powered cargo lighters	1,616
Special base and other vessels exceeding 100 feet	22
Small craft with power	543
72-foot Minca barges	1,045
Small craft without power	3,725

THIS YEAR WE WILL DELIVER:

10,000-ton ships	40
4,700-ton ships	12
China coasters	30
Transport ferries	52
Minesweepers	41
Tugs	73
Tribal class destroyers	2

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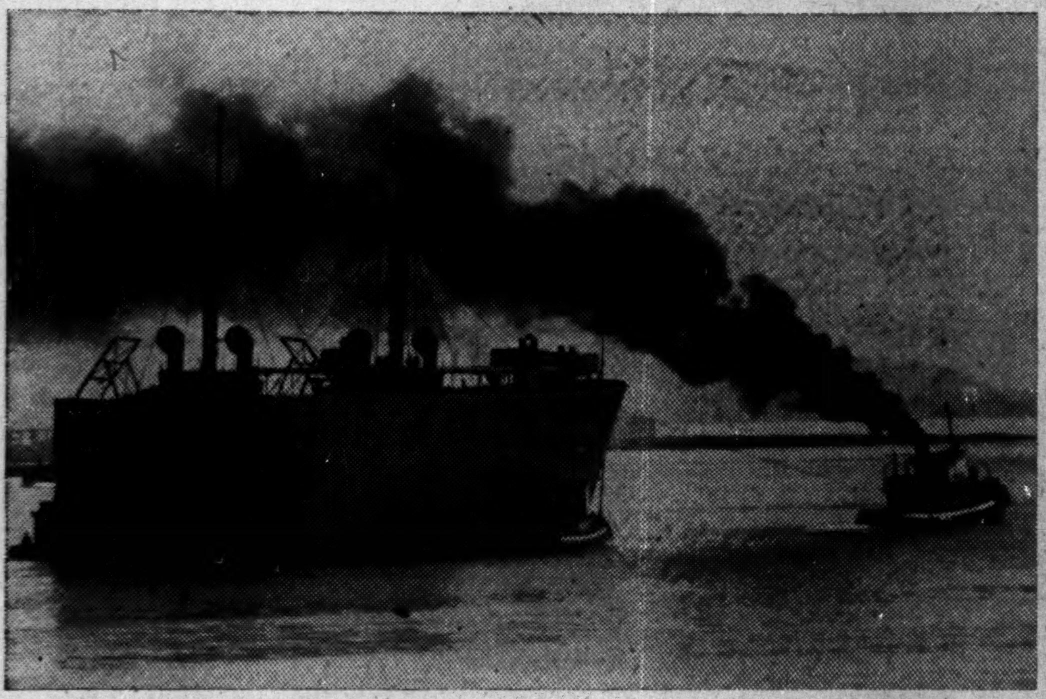
This year will probably see the end of our government contracts. There may be one or two years of other work, but the important thing is action by the Government upon the Number 1 recommendation as contained in the brief by the Canadian Shipbuilding and Ship Repairing Association to the Canadian Government:

"That the Government should restrict the coasting trade of Canada to vessels now registered in Canada and hereafter built in Canada."

It is of the utmost importance to the shipyards in the Province of Ontario and, we believe, to the Province of Ontario itself that immediate legislation be enacted. Furthermore, we are convinced that after a careful examination of this subject, the grain-growing provinces of Canada should support this Number 1 recommendation.

CANADIAN SHIPBUILDING & ENGINEERING LIMITED
J. S. LEITCH
Vice-President

Ship Repairs — Anchor to Windward For Canada's War-Expanded Shipyards



This is half of the U. S.-built Liberty Ship Valerie Chkalov, which broke in two in the Bering Sea while under Russian registry; was given minor repairs at Dutch Harbor, and then towed down in two sections to North Vancouver, where she was repaired. Since then she has returned to U. S. registry, has sailed many successful miles. Ability to make repairs of this nature is one of Canada's best guarantees of shipbuilding activity in the postwar world.

By C. J. DANIELS
Editor, Canadian Shipping and Marine Engineering News

In the scramble to cinch down postwar shipbuilding contracts for Canada's war-expanded shipyards, there has been a tendency to overlook the general improvement in facilities for ship repairing—an asset that promises to become an anchor to windward in the struggle to maintain our shipyards on a peacetime footing.

Partly because the repair business constituted almost the sole activity in steel shipbuilding during the decade that preceded this war, even the shipbuilders say little about the prospects of expanding their repairing business after the war. But nearly every major Canadian shipyard now possesses either new or improved facilities for this type of work, and ship repairing is big business. In combination with certain geographical advantages, Canadian shipyards will emerge from this war equipped to tender competitively on steel ship repairs against shipyards both in the United States and Europe.

Canadian yards always have enjoyed a share of the repairing business. In the thirties, between 3,000 and 4,000 Canadians were so employed, although bulk of the business went to Hong Kong, the U. S., Britain and the Scandinavian countries. Some ships that operated in Canadian trades were repaired elsewhere, and it is plain that ship operators prefer to have major overhaul and repair done at or near home ports.

But this natural preference flies out the window when there are cold, hard business reasons why a ship should be repaired abroad. Emergency repairs have to be done at the nearest port, and ships that operate in trades far from home can frequently be repaired to advantage in a foreign shipyard because the time needed to steam long distances to a home port adds to the cost of the job.

Time Preference Overcome

Clarence Wallace, president of Burrard Dry Dock Co. Ltd., Vancouver, is Canada's largest war shipbuilder, and has never been noted for optimistic forecasts on the peacetime stature of the Canadian shipbuilding industry. But he frankly admits his firm expects to do a larger ship repairing business after the war and his reasons apply in some measure to most Canadian shipyards.

Before the war, Mr. Wallace recently explained, Burrard Drydock had a regular repair business with Scandinavian ships engaged in Pacific trades. American yards could not compete with the Canadian price, but U. S. yards were often found to possess superior facilities that enabled them to cut the time needed for repairs. As a result, some large jobs went to the U. S. shipyards.

"We have the facilities now," Mr. Wallace adds significantly, and no one in Vancouver doubts that more ships will be calling regularly for overhaul and repair.

This encouraging circumstance applies to a majority of the 21 major shipyards on Canada's east and west coasts, on the St. Lawrence and on the Canadian side of the Great Lakes. While most of them have been engaged in the construction of the 1,000-odd naval and merchant ships Canada has built during the war, repairs have also been completed on thousands of ships. When the Battle of the Atlantic was at its height, ship repairing was probably more important to victory than new construction.

For example, examine the record of Halifax Shipyards, Ltd.

In five years of war, this company has effected repairs to more than 7,000 ships. Not all of these jobs were of a major nature, but completion of each repair put another ship back on the high seas. In some instances, an entire bow or stern had been sheared away by torpedo or collision. One tanker, the SS. Ensis, was twice torpedoed but still managed to reach Halifax. After completion of repairs of a most extensive character, the Ensis sailed again and again.

Major Repair Facilities Better

Facilities for major repair have been greatly improved on both east and west coasts. Early in the war, Halifax Shipyards obtained delivery of a new 25,000-ton floating drydock to augment the facilities of its existing graving dock. Shop facilities have also been increased, and a huge floating crane now goes out in the harbor to remove or install heavy machinery.

In East Saint John, N.B., the St. John Dry Dock & Shipbuilding Company Ltd. is similarly equipped to repair very large ships. Its main graving dock is 1,150 feet in length and ranked as the largest in the world when it was built by the Canadian Government in 1923. Depth of water on the sills is 42 feet, and the dock is so arranged that it can be used in two separate sections. During this war it has not been unusual to see three large ships in this huge graving dock at one time. Electricity, water and sewer connections are available so that the complement of a large battleship can live aboard during the period repairs are being carried out.

More important from a postwar ship repairing standpoint has been the addition of a smaller semi-tidal graving dock, also built by the government. It is 440 feet in length and can accommodate vessels up to 7,000 tons, but the semi-tidal feature of its location greatly reduces the cost of pumping out water after a ship has been located over the blocks. The Fundy tides take care of part of the operation.

Other Canadian shipyards which have expanded facilities for repair include Canadian Vickers Ltd., at Montreal; George T. Davie & Sons Ltd., and Davie Shipbuilding & Repairing Co. Ltd., both at Lauzon, Que.; Marine Industries, Limited, Sorel, Que., which has a 12,000-ton marine railway, said to be the largest in the world; Morton Engineering & Dry Dock Co. Ltd., Quebec City; Prince Rupert Dry Dock & Shipyard; Victoria Machinery Depot and Yarrows Limited, both of Victoria, B.C.; West Coast Shipbuilders Ltd., Burrard Dry Dock Co. Limited, and North Van Ship Repairs Ltd., all of Vancouver.

Fractured Freighter Fixed

Canadian shipyards have demonstrated during this war that they are equal to the most complicated repair jobs. A case in point is the feat of repairing a 10,000-ton freighter that literally broke in two. The ship was the Valerie Chkalov, a U. S.-built Liberty ship that developed a major structural failure in very heavy weather in the Bering Sea last year. The Valerie Chkalov just broke in two, but her Russian crew stuck with the separate halves. Bulkheads held and both sections were taken in tow to Dutch Harbor, Alaska.

At this U. S. base, temporary repairs were completed and the forward and aft sections were separately towed to Vancouver. The salvage of two halves was in itself no mean feat and it was determined to repair the ship, which later reverted to the U. S. flag.

United States War Shipping Administration, through the appropriate Canadian authority, entered into a contract with North Van Ship Repairs, Ltd., of North Vancouver, to repair the hull in a specified period of 20 days.

The separate halves were docked on September 21, 1944, for inspection, preliminary burning and location of alignment devices. Then both sections were undocked. The drydock was prepared and the sections re-docked on September 24. Such was the accuracy with which aligning devices had been placed on the sections and in the drydock that perfect alignment, both lateral and vertical, was achieved. Crews went to work and the hull was floated out as one ship on October 6, just 16 days after first docking.

Outfitting and finishing interior repairs took more time, but the Liberty that broke in two has been on the seas for some months now—is probably a stronger ship than when first built. She was, incidentally, one of a very few U. S. all-welded ships that developed serious structural failures.

Queen Elizabeth Conversion

Shipyard workers in Victoria shared in another outstanding job in 1942 when the 85,000-ton Queen Elizabeth was drydocked at Esquimalt for conversion into a troopship. The Elizabeth's great theatre, swimming pool, reading and writing rooms, lounge rooms, cocktail bars and larger apartments became sleeping accommodation for soldiers. To gauge the importance of this work, it is only necessary to recall that the Queen Mary and Queen Elizabeth together carried more than one third of all U. S. soldiers who sailed to Britain in this war.

To the layman, there is more magic involved in a big ship repair job than in building a new ship, but the apparent miracles are produced by plannng and co-ordinated work of the most exacting kind. Always before the ship repairing crew is the urgency of speed, since delay may cost lives in wartime and certainly costs money in peacetime.

Hours or even days before the crippled ship comes into port, arrangements have been made for her repair. If possible, the original plans for the damaged section are flown ahead. Sometimes it is possible to begin fabrication of plates and supports before the ship arrives, though this usually happens when the vessel is one of a well-known type such as the Liberty, Victory or North Sands.

On arrival, the first move is to send down a diver to determine the character of underwater damage. If the ship has a bad list, the floating type of drydock offers advantages, since this U-shaped structure can be submerged with a corresponding list. Once the nature of the underwater damage is known, the keel and bilge blocks can be placed on the drydock and the ship floated in. To raise the ship, compartments in a floating drydock are pumped out. In a graving dock, the caisson or gate is put in place and the water in the bathtub-like structure either pumped or permitted to drain out.

Inspection First

With the ship up on blocks and wholly out of water, an immediate inspection is made by underwriter and classification surveyors and by a representative of the shipyard. Complete specifications of all needed repairs are next made and preliminary work started.

Torches cut out damaged plates and sections, and cranes lift the wreckage away. If the vessel is a rivetted ship, the hull section removed goes back to the nearest true seam; if it is a welded ship, the plates and beams are cut back as far as needed.

Many different shop facilities are brought into use during a repair job. New plates are cut, punched, countersunk and often shaped. The machine shop is probably busy with the production of interior fittings, and the pipe shop will be bending new pipe sections. Sometimes the shipyard facilities and stock are adequate to make all new parts on the premises. More often a factory or warehouse far inland is asked to rush a new boiler, auxiliary engine or one of the many pieces of electrical equipment that goes into a ship.

Once the new sections and fittings are in hand, erection and installation proceed in much the same manner as in new construction. But the variety of repairs needed makes each job a little different from the last, and there is seldom opportunity for erection on the assembly line principle. In ship repairing, the ability to improvise a technique demanded by a specific problem plays a large part in over-all efficiency.

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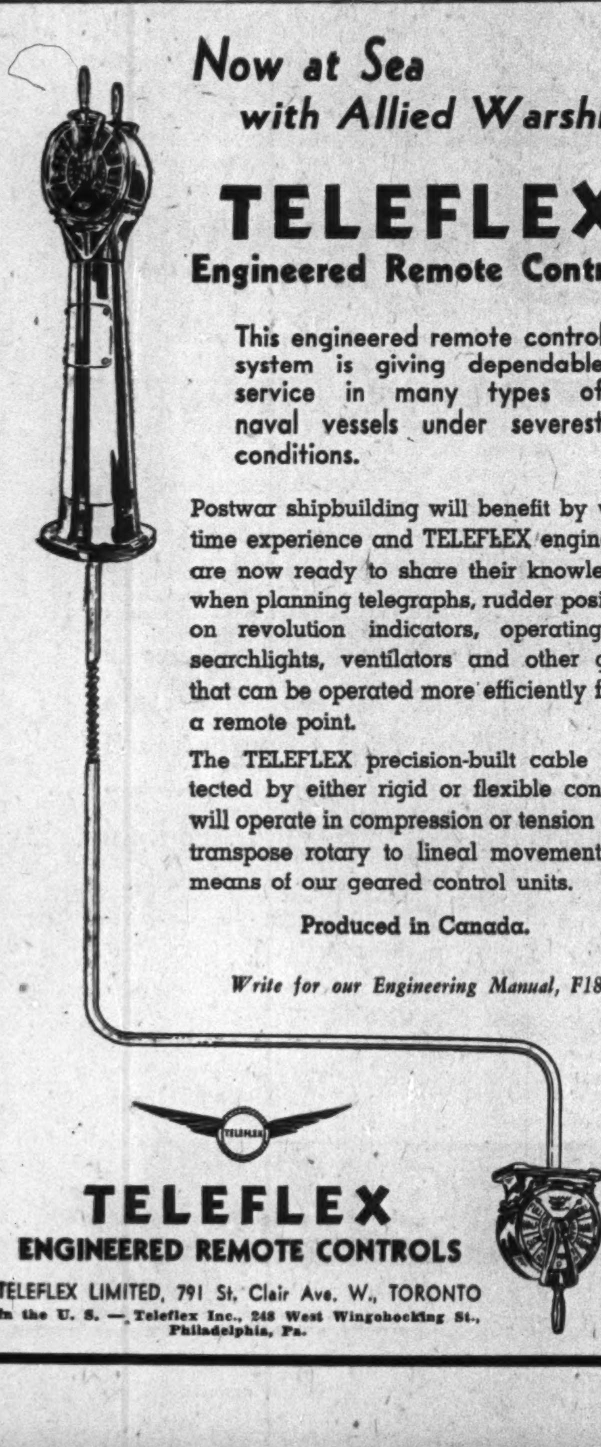

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Canada's Excellent Port Facilities Help Speed Huge Wartime Shipments

Canada owns some of the world's finest harbors. That fact accounts in great measure for this country's position as second trading nation in the world; and while tons of our commodities move overseas from New York, mere mention of such Canadian outlets as Montreal, Vancouver, Halifax, Saint John indicates quickly and at a glance the importance of Canadian ports. In peacetime, Canadian harbors sent food and other Canadian products all over the world. When, in 1939, she became chief western hemisphere supplier for allied armies, the quality of her port facilities—her ability to handle many tons of freight quickly became of crucial importance. Cumulative figures for facilities of six principal ports—Halifax, Saint John, Quebec, Three Rivers, Montreal, Vancouver—tell the story:

Railways: 217.6 miles.
Piers, wharves, jetties: 245 (No.).
Length of berthing: 177,715 ft.
Transit shed floor space (sq. ft.): 6.4 millions.

Cold storage warehouse capacity (cu. ft.): 8.3 millions.

Grain elevators' capacity: 35 million bushels; loading rate: 32,000 (low) to 400,000 (high) bushels per hour.

Coal dock storage 2.6 million tons.

Oil tank storage: 195.5 million gallons:

Since Oct. 1, 1936, the National Harbors Board has taken over from local harbor commissions, and assets now under its administration total $225 millions — more if unknown wartime expansion were added. This board has had marked success in increasing revenues, effecting also economies in costs.

Harbors Are Big Business

Ports under the board include, in addition to six mentioned, Chicoutimi, Churchill, the grain elevator at Prescott on the St. Lawrence and the grain elevator at Port Colborne on Lake Erie.

Facilities of six of Canada's main ports, as at Dec. 31, 1939, are detailed in the table on this page.

Survey of water transportation takes into consideration co-ordination of land and water facilities at many ports. Equipment facilities interchange movements and includes docks, wharves (some for passenger service but most for freight), warehouses for handling cargoes, and special equipment for bulk freight, lumber, coal, oil grain, and in wartime, iron ore.

Equipment includes cold-storage warehouses, harbor railway and shipping connections, grain elevators, coal bunkers, oil storage tanks, and in big harbors, dry-dock accommodation.

Apart from facilities of the NHB, private companies own their own harbor apparatus.

Halifax and Saint John Full Time

Halifax and Saint John are all year-round ports, but are busiest during winter when the St. Lawrence is frozen. At Halifax there are seven large piers with approximately 2.5 miles of berthing and equipped with 13 transit sheds; a grain elevator with a capacity of 2.2 million bushels; and a cold storage terminal with modern freezing facilities and 1,000,000 cu. ft.

Saint John has seven piers, 2.5 miles of berthing and 15 transit sheds, a grain elevator with 1.5 million bushels capacity and is served by more than two miles of grain galleries, which is operated by the CPR under agreement with the Harbor Board.

On the St. Lawrence are Quebec, Three Rivers, Montreal and Chicoutimi, on the Saguenay, a tributary of the St. Lawrence, but these ports are inoperative through winter months.

Quebec has four main piers, with 3.5 miles berthing and nine transit sheds, a 4-million-bushel-grain terminal, a cold-storage warehouse, capacity 500,000 cu. ft., a fish-freezing and storage warehouse with a capacity of a million pounds, and 32 miles of terminal railway.

Three Rivers has three large wharves, 1.5 miles of berthing, and eight transit sheds.

Montreal has 28 piers and wharves, 27 transit sheds, and over 10 miles of berthing. Its four grain elevators have a total capacity of 15 million bushels, served by 3.5 miles of grain galleries. Its cold-storage terminal has a capacity of more than 4.5 million cubic feet; and more than 60 miles of terminal railway. The board operates all Montreal's facilities as well as the Jacques Cartier bridge over the St. Lawrence which cost $19 millions to build.

Important Vancouver

Vancouver operates two piers, and two jetties. It has 1.75 miles berthing and six transit sheds, four grain elevators with a capacity of nine million bushels. (These are operated under lease by private parties.) There are 30 miles of terminal railway, storage for 500,000 gallons of vegetable and fish oil, a fish dock, ice plant and other small facilities. The Harbor Board also operates the Second Narrows bridge.

At Churchill, the Board operates a large pier and transit shed, and a grain elevator with a capacity of 2.5 million bushels. At Prescott, a terminal with 5.5 million bushels capacity is operated, and at Port Colborne, at the Lake Erie entrance to the Welland Ship Canal, a grain elevator with a capacity of three million bushels.

Since Canada entered the war, its national harbors have increased greatly in importance as a link between the extensive railway systems and inland waterways and the great ocean trade routes of the world. Expert handling of supplies for overseas has been of vital importance in making Canada's war effort such a success.

The increased harbor facilities under governmental control in 1938, as compared with the year preceding the Great War, have been important in solving the Government's shipping problems during this war Canadian ports have been much better equipped to handle traffic smoothly than at the outbreak of war in 1914.

Comparison of facilities of Canada's six principal harbors, 1913 and 1938, pre-war years, points up the tremendous expansion during that period:

	1913	1938
Berthage space, ft.	64,965	115,694
Transit shed space, sq. ft.	2,414,293	5,513,960
Elevator capacity, bus.	6,000,000	31,310,000
Cold storage capacity, cu. ft.	Nil	6,128,000

Capital expenditure on chief harbors proceed each year, and during war, funds are earmarked under War Appropriation Works for such items as pier extension, lighterage wharves, piers for ship-repairs, construction of a timber pile wharf, floating cranes, locomotive cranes, closing gaps between wharves and backfilling.

Canada's Harbor Facilities—Pre-war

	Halifax	Saint John	Quebec	Three Rivers	Montreal	Vancouver
Minimum depth of approach channel (ft.)	50	30	35	30	32.5	35
Harbor railway (miles)	31	57	32	5	57.6	35
Piers, wharves, jetties, etc. (No.)	46*	17	36	5	116	27
Length of berthing (ft.)	32,716	14,383	32,505	7,400	52,111	28,600
Transit shed floor space (thousand sq. ft.)	1,236	824	744	192	2,039	1,310
Cold storage warehouse capacity (thousand cu. ft)	1,000	880	500	nil	4,628	1,277
Grain elevators:						
Capacity (thousand bu.)	2,200	3,000	4,000	2,000	15,162	18,642
Loading rate (thousand bu. per hr.)	75	150	90	32	400	312
Floating crane capacity (tons)	75	..	50	nil	75	50
Coal dock storage capacity (thousand tons)	63	34	215	300	2,000	nil
Oil tank storage capacity (thousand gal.)	75,308	9,818	26,280	nil	4,200	79,854

* Excluding government piers.

Source: The Canada Year Book, 1940.

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COMPANY REPORTS

Sigma Mines

Towards the end of 1944, insufficient labor caused Sigma Mines (Quebec) to confine mining to the wide lower grade stopes and there is stated to appear to be no prospect of any immediate change in this condition.

Although the shaft extends to the 16th level, the main stoping operations remain above the 975-ft. horizon. Development work is stated to have been satisfactory in 1944 but was further curtailed.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Bullion production	$2,203,063	$2,473,050
Less: Oper. exps.	1,251,490	1,341,641
Net earnings	951,573	1,131,409
Add: Misc. inc.	41,357	42,940
Less: Prod. tax	33,913	34,918
Income tax	230,000	206,312
Def. dev. w/o	82,736	127,406
Deprec.	141,832	244,668
Contingencies	20,000	......
Net profit	484,449	561,645
Less: Divds.	900,000	600,000
Deficit for year	415,551	38,955
Earned per Share	$0.48	$0.56
Paid	0.60+0.30	0.60

CONDENSED BALANCE SHEET

As at Dec. 31:	1944	1943
Cash & bullion	$ 316,929	$ 554,509
Govt. bonds	1,254,050	1,102,700
Accts. rec.	31,166	66,319
Mat. & supplies	243,022	246,754
Total curr. assets	1,845,167	1,970,282
Prep. & def. chgs.	14,357	16,131
Def. development	146,096	226,833
Munic. bonds	......	52,500
Claims & props.	421,700	421,700
Plant & equip.▲	267,077	397,328
Total assets	2,696,397	3,084,774
Accts. & tax. pay.	73,920	95,036
Res. for taxes	168,781	140,491
Contingencies res.	20,000	......
Divd. pay.	300,000	300,000
Total curr. liab.	562,701	535,527
Capital stock	1,000,000	1,000,000
Surplus	1,133,696	1,549,247
▲After depr. of	1,382,268	1,242,247
Working capital	1,282,466	1,434,755

OPERATING STATISTICS

	1944	1943
Ore reserves, tons	1,403,000	1,332,300
Grade, dwts.*	4.16	4.18
Tons milled	304,967	336,098
Aver. recovery	$7.22	$7.36

*One pennyweight equals a twentieth ounce of gold.

Sturgeon River

During 1944 Sturgeon River Gold Mines acquired a third interest in 58 claims staked jointly with Consigas Mines in Irwin twp., west of the Sturgeon River property.

Work was done preparatory to a magnetometer survey and drilling of any anomalies located. President A. L. Bishop states it is felt that these stakings will protect any prolongation of the ore-bearing structures existing on the Sturgeon River property and the previously purchased Macjoe claims.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Net oper. loss	$40,636	$10,009
Less: Misc. income	45,237	10,295
Net profit & surp.	4,601	286
Earnings per Share	$0.0017	......
Paid	nil	nil

CONDENSED BALANCE SHEET

As at Dec. 31:	1944	1943
Cash & bullion	$13,368	$10,295
Accts. rec.	2,731	1,901
Mat. & supplies	38,178	45,057
Total curr. assets	54,277	57,253
Unexp. insur.	......	2,517
Dominion bonds	173,242	173,030
Bds. with HEPC	2,700	2,700
Tor. Gen. Tr. Cert.	40,000	15,000
Mining stocks	56,559	78,814
Mine develop.	87,480	87,480
Claims & props.	41,385	40,797
Plant & equip.▲	129,699	125,238
Total assets	585,342	582,829
Total curr. liab.	887	2,975
Capital stock	384,879	384,879
Surplus	199,576	194,975
▲After depr. of	108,818	108,841
Working capital*	53,390	54,278

*Excluding Dominion bonds and trust certificates which are not included in current assets.

Malartic Gold Fields

In its No. 2 mine, Malartic Gold Fields owns one of the "major concentrations of gold ore" in the Malartic district and plans are being made to equip the mine with a modern plant for large scale production as soon as restrictions are removed, President M. A. Thomson states.

Production and profits have been sacrificed in order to maintain mine condition. Only a small tonnage of ore, 32,000 tons, was taken from the No. 2 mine last year.

A substantial interest is reported held in Norbenite Malartic Gold Mines.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Bullion prod.	$1,373,986	$1,682,479
Add: Other income	20,909	11,047
Total income	1,394,895	1,693,526
Less: Oper. exps.	1,157,480	1,259,370
Oper. profit	237,415	434,156
Less: Deprec.	124,172	122,640
Prelim. dev. w/o	84,849	84,849
Res. for taxes	2,000	42,584
Net profit & surplus	26,394	184,083
Earnings per Share	$0.006	$0.046
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1944	1943
Cash & bullion	$290,478	$ 421,694
Investments	376,002	175,002
Accts. rec.	14,176	3,807
Supplies	243,649	224,531
Total curr. assets	923,305	825,034
Prep. & def. chgs.	8,892	11,646
Def. devel.	113,272	182,977
Note receivable	14,363	10,003
Claims & props.	439,625	365,540
Plant & equip.▲	768,446	847,439
Total assets	2,267,903	2,242,639
Accts. payable	85,896	76,641
Tax provision	3,115	13,500
Total curr. liab.	89,011	90,141
Capital stock	1,101,512	1,101,512
Surplus	1,077,380	1,050,986
▲After depr. of	500,224	381,142
Working capital	834,294	734,893

OPERATING STATISTICS

	1944	1943
Ore reserves, tons	1,369,910	1,429,885
Grade ($35 gold)	$8.55	$7.76
Tons milled	207,339	226,855
Aver. recovery	$6.63	$7.42

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Shipping Chief Problem Europe's Relief Supply

At a press conference not long ago, Director-General Lehman of UNRRA was asked: "What besides shipping are the chief troubles that have cropped up which you didn't count on in Atlantic City?"

His reply revealed the crucial importance of shipping immediately after V-E day.

"Today," he said, "I would still put shipping at the top of the list. I would put inland transport next, the tightness of supplies third."

Canadians and other members of the United Nations realize keenly that the fate of the postwar world will be very seriously affected by our ability to make good our promises to feed, clothe, and rehabilitate the liberated populations of Europe. The size of the task is already painfully apparent, as reports of famine and disease pour out of recaptured territory. Even more painfully apparent is the problem of shipping. On this side of the ocean, we have what we must admit is relative plenty; certainly more than enough to provide us with the 2,000 calorie diet being discussed as a minimum for Europe. And we have indicated our willingness to share. But production here is not enough; we must also have ships to carry our produce across to where it is needed. The falsity of the old myth of the "useless middleman" was never more drastically shown up.

Military Supples First

It is obvious that, until the last German resistance is over, military supplies take first priority on shipping for the continent. But with its close, when ships begin moving in this direction with returning soldiers and airmen, they will return in the other direction laden with food, clothing, farm machinery, and other essential supplies for Europe. Some of these will be for UNRRA—to which Canada has already made her first contribution. Some will be under the Export Credits arrangements, or under some form of continued Mutual Aid (such as is recommended in the White Paper on full employment) designed to remove the sand from the cogs of the machine of world production and distribution.

A competent authority not long ago estimated that Europe would need about 46 million tons of relief supplies, of which well over half would require shipping. This estimate included eight and a half to nine million tons of food, for which it was said "shipping would in general be sufficient; but temoprary shortages and lack of such specialized space as refrigerator capacity might cause serious difficulties."

Another Year of Lost Production

Recent though this estimate is, it did not foresee the actual events; that the conclusions of the European war would come, as seems likely now, after bitter fighting over the agricultural territory had lasted well past the seeding and growing seasons; so that Europe's needs would be multiplied by another year of lost production.

A recent UNRRA report sums up briefly the relief situation respecting food, clothing and machinery:

Greece is in very bad shape. She suffered greatly at Hitler's hands when it was decided that as Greece had little to contribute to his economy she should be given little in return. The result was acute food deficits and actual starvation until an arrangement was made two years ago to bring in food, chiefly from Canada and the United States, and distribute it through the agency of a Swedish-Swiss relief commission.

Poland's location made it easy for the German army to commandeer food, and Poland was forced to contribute one million tons to the German food supply. Poland was the least mechanized of the European agricultural nations and depended upon horsepower, but the Germans took most of the horses, scorched the earth, and left her farmers with few agricultural facilities.

Yugoslavia, a country that was exporting substantial quantities of food before the war, is now suffering from the breakdown of the internal distribution system.

Czechoslovakia has been supplying Germany with 500,000 to 600,000 tons of food annually. The extent of damage from earth scorching is yet to be determined, but the need for fats is known to be very great.

Belgium has the largest population in relation to land resources of any country in Europe. Before the war the Belgians imported 50% of their food, and most of the grain and fodder for cattle. The war cut off these imports and Germany was forced to send quantities of grain from other areas in order to get from Belgium her industrial products. The first result of liberation was the loss of these German shipments, and Belgium will suffer greatly unless supplies are made available.

France's liberation meant release from a drain on production of around 3 1/3 million tons of food that Germany requisitioned annually. But France still suffers from the effects of having had her grain, meat, butter, dairy products, fruits and vegetables taken by Germany during the occupation, and will feel the effects of malnutrition for years to come. Before the next crop France will have to import considerable food. North African cereal crops were poor last year, and that reduced France's ability to obtain food within her empire.

Norway presents a particular problem; she has less food than the other nations, and her people have been depending heavily on potatoes — 400 lb. per capita per year, which means that some Norwegians have been eating potatoes three times a day to keep from acute starvation.

The Netherlands formerly represented a hope; but recent reports of flooding caused by German assaults on her vital dikes have written down the hope that the Netherlands and Denmark could make a quick comeback in agricultural production—with aid in the form of fertilizers and farm machinery.

Clothing and textiles are acutely short in both Europe and the Far East. Europe has been without imports of any consequence in raw cotton and wool for more than four years. The wool produced there was commandeered by the German army, and Europe produces no cotton of her own. Adequate footwear is in even shorter supply than clothing.

All these relief supplies, the report stresses, come smack up against the problem of shipping. It is easy to determine needs; less easy to deliver the goods. In the minds of all the planners is the consciousness that there is another war going on in the Pacific—that the first priority allotted to military shipping and supplies is not yet removed. Americans have found out that it takes four times as much shipping per soldier in the Pacific as it does in Europe; there is as much shipping in the Pacific theatre now as there is in the Atlantic; but there are only a quarter as many men. One estimate, from a reliable source, states that 10,000 tons of shipping per man per month will be required to keep the armies of the Pacific supplied.

Port Facilities a Problem

Nor is the lack of tonnage the only problem; port facilities may prove to be a bottleneck. Relief officials remember uneasily the scenes in the Baltic ports after the last war, when American Relief supplies were so badly tied up that for a while it appeared that the whole relief program in eastern Europe in 1919 might have to stop.

Significant, in this connection, is the location of the pockets of German resistance still existing in the wake of the Allied armies; each of these apparently senseless last-stands immobilizes a major port, prevents from flowing into Europe much of the supplies that would be a sign of Allied good faith and another source of fighting strength.

But recent indications have been that both these problems may be coped with successfully. Shipbuilding is now so rapid, and sinkings so much decreased, that the United Nations tonnage is increasing at an unprecedented rate. Engineers in British, Russian, and U. S. armies have shown repeatedly how rapidly port facilities can be rebuilt with proper methods and equipment. And with resistance in central Germany being rapidly overcome, Allied forces can turn their attention in full to the German "pockets."

Nevertheless, shipping remains in the relief spotlight. The need for relief shipments is recognized, and the methods of distribution are becoming gradually defined. It may be that the shipping Canada turned out to win the war will become the marginal factor—the last straw that makes or breaks—to give the world a solid start in rehabilitating Europe and winning a lasting peace.

Ships of Many Nations Touch at Canadian Ports

REGISTRY OF SHIPS IN FOREIGN SERVICE TOUCHING CANADIAN PORTS 1943
(All Ports)

	Arrived		Departed	
	Number	Tonnage	Number	Tonnage
Canada	13,467	14,978,815	13,551	15,515,513
United States	5,593	6,747,692	5,664	6,976,291
United Kingdom	1,021	2,756,480	1,352	3,936,595
Greece	161	405,393	169	433,162
Norway	183	338,475	234	402,477
Newfoundland	2,121	329,026	2,149	351,229
Panama	69	209,120	77	220,062
Sweden	66	129,759	83	160,954
Netherlands	31	95,933	35	102,807
Russia	22	61,017	25	73,234
Eire	37	57,970	37	57,970
Belgium	15	52,579	15	52,598
France	40	25,004	46	23,673
Australia	..	..	3	7,818
Portugal	2	555	1	318
Mexico	..	..	2	1,822
*All other	73	157,744	87	188,464
Total	22,901	26,354,562	23,530	28,504,987

*No ships from or to Brazil, China, Denmark, Finland, Germany, Italy, Japan, New Zealand, Spain, South Africa, Turkey.

Aerial view of Marine Industries' Shipyards at Sorel, Que.

Invitation to SOREL

Canada has taken her place among the great shipbuilding countries of the world and a vastly enlarged Canadian-built merchant fleet now serves the United Nations on the Seven Seas. But when the war ends and this Dominion returns to the paths of peace, there will still be a need for many new ships in Canada.

Marine Industries Limited is excellently equipped to build any special size or type of ship that may be required. At our modern and greatly expanded shipyards at Sorel we can undertake successfully the construction of any ship, from small river craft to cargo vessels up to 12,000 tons dead weight.

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Such is the fervent prayer of countless lonely hearts — the cherished hope of all.

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That's why there can be no let-up, no relaxation here on the home front. That's why we must purchase Bonds, for Bonds buy the stuff of which Victories are made.

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Action on Shipbuilders' Submission Seen Postponed Until After Election

MONTREAL (Staff) — Canada's shipbuilding industry, which mushroomed in the short space of time between 1939 and 1942 from a relatively small industry to the second position in Canada's industrial economy with some 66,000 men directly employed on new construction alone, has had since last year a central organization—the Canadian Shipbuilding & Repairing Association—to represent the many thousands vitally concerned in the future of shipbuilding operations in Canada.

In its short history the Association has compiled a large amount of data to show the importance of shipbuilding in a national economy, and last September presented to the Government, in a brief, ten recommendations which it considered would further the interest of Canadian marine transportation after the war.

Some concrete action is expected to develop from the Association's efforts, once the forthcoming Dominion election is out of the way.

Gov't Plans Action

In the closing days of the recent Parliament session, Premier King announced that "when the new Government takes over, there is a job to be done with shipbuilding," and added his personal accord with one of the Association's recommendations—for appointment of a Maritime Commission to handle every phase of shipbuilding.

Mr. King indicated that the main reason action in this direction had not been taken before had been the fact that the type of men that should be appointed for such work had been in need for activities directly connected with carrying on of the war.

J. Edouard Simard, a leading shipbuilder and president of the shipbuilding association, has expressed the aims of the industry thus, in a statement to The Financial Post:

"After the war Canada should maintain a merchant marine more in line with her peacetime position as the fourth or fifth world trading nation. This does not mean that Canada should aspire to carry more than her fair share of Canadian seaborne exports and imports, especially since her two largest customers, the United Kingdom and the United States, presumably will operate the two largest marines. However, there appears no sound reason why Canadian ships should not transport a larger proportion of Canadian merchandise trade than in the past.

Pre-war Rank Low

"In 1939, world tonnage of steamships and motorships of 100 gross tons or over amounted to 68,509,432 tons. Of this total Great Britain and Ireland had a tonnage of 17,891,000 tons. The United States stood second with 11,490,000 tons. Japan was third with 5,629,845 tons, while Canada ranked twelfth with 1,223,900 tons. Norway, Germany, Italy, the Netherlands, France, Greece, Sweden and Russia all operated larger marines than Canada. If ocean-going ships are considered, Canada came almost in lowest rank of the world's maritime nations.

"Canada will own a much larger marine when the war ends. Canadian shipbuilding, ship repairing and ship operating interests see no reason why the postwar seagoing marine should not be much larger than in 1939, more nearly commensurate with the volume of merchandise imported and exported from the Dominion."

The brief of the Canadian Shipbuilding & Repairing Association, as presented to the Government last year, pointed out that except in the early years of Canada's, history when the Dominion's lumber resources placed her at an advantage in building the wooden ships then required, and during the two world war periods of unusual demand for new ships of every type, Canada's shipbuilding activities have been restricted largely to repair work rather than any important construction of new ships. This situation the Association attributed to lack of Government encouragement and aid, while other leading trade nations were giving special assistance to their shipbuilding industries.

10 Proposals Suggested

The Association advanced the following 10 main recommendations:

1. That the Government should restrict the coasting trade of Canada to vessels now registered in Canada and hereafter built in Canada.

2. That a national shipping policy should be enacted whereby Canadian shipowners engaged in foreign trade in and out of Canadian ports will be encouraged by all possible means, including subsidies if necessary, to build and register their ships in Canada.

3. That the Government should give consideration, as a part of the post-war reconstruction policy, to the replacement of obsolete vessels employed in the Government services by new vessels built in Canada.

4. That all Canadian naval vessels shall be built in Canada, and that the Government make representations to the British Government to establish a policy whereby educational orders for British naval vessels may be placed in Canada in the postwar period.

Would Close Gov't Yards

5. That steps be taken to reduce vessel orders awarded by the Government to those shipyards owned and/or controlled by the Government with a view to liquidation of these shipyards as soon as the war emergency permits.

6. That the Government should promote a policy of aid to Canadian shipbuilders to enable them to build ships for foreign ownership, through the medium of loans secured by mortgages, or other approved financial arrangements.

7. That a committee be appointed by the Government to study a policy of Government purchase of Canadian owned and registered vessels engaged in the Canadian coastal trade and which have become obsolete, at a fair valuation to be applied as a credit against Canadian built replacements tonnage.

Central Authority Urged

8. That Canada's shipbuilding and shipping policies be controlled through one Government authority, and that Canadian shipbuilders be invited to nominate representatives to all committees dealing with questions relating to marine transportation.

9. That all vessels engaged in the Canadian fishing industries shall hereafter be built in Canada.

10. That consideration be given to the establishing in the principal shipbuilding districts of special facilities for technical education in shipbuilding and marine engineering.

The Association was organized by the following shipbuilding companies of Canada:

Burrard Dry Dock Co., Ltd., North Vancouver, B.C.; Canadian Vickers, Ltd., Montreal; Davie Shipbuilding & Repairing Co., Ltd., Lauzon, P.Q.; Geo. T. Davis & Sons, Ltd., Lauzon, P.Q.; Halifax Shipyards, Ltd., Halifax, N.S.; Kingston Shipbuilding Co., Ltd., Kingston, Ont.; Marine Industries, Ltd., Sorel, P.Q.; Midland Shipyards, Ltd., Midland, Ont.; Montreal Dry Docks, Ltd., Montreal; Morton Engineering & Dry Dock Co., Ltd., Quebec City, P.Q.; North Van Ship Repairs, Ltd., North Vancouver, B.C.; Port Arthur Shipbuilding Co., Ltd., Port Arthur, Ont.; Prince Rupert Dry Dock & Shipbuilding Co., Ltd., Prince Rupert, B.C.; St. John Dry Dock & Shipbuilding Co., Ltd., Saint John, N.B.; the Collingwood Shipyards, Ltd., Collingwood, Ont.; Victoria Machinery Depot Co., Ltd., Victoria, B.C.; West Coast Shipbuilders, Ltd., Vancouver, B.C.; Yarrows Ltd., Victoria, B.C.

Produce Ship a Day

These 18 companies have been producing in recent years a ship a day the year round—a remarkable record, when it is considered that prior to the war Canada's activities in this direction were confined almost exclusively to repair work at a few main ports.

Objects of Association

"The objects of the Association," it was stated, "are the preservation, maintenance and development of the shipbuilding and ship repairing industries in Canada and particularly the prevention of avoidable unemployment of personnel associated with such industries during the postwar era.

"It cannot be too strongly emphasized that the Canadian Shipbuilding & Ship Repairing Association does not operate as a cartel or combine.

"Its members have in no way sacrificed their individuality and intend to fully preserve their independent competitive status.

"Their association is confined to an expression of solidarity only in so far as factors affecting the general welfare and future prosperity of the industry are concerned.

"Consequently its formation and functioning cannot but be viewed favorably by Government and Labor alike.

"The Association will welcome full co-operation with Labor, being aware that a community of interest must be recognized and acknowledged if Canadian shipbuilding is to prosper in the postwar era."

Navy Yard Unions Seek Recognition

From Our Own Correspondent

HALIFAX—Nine AF of L local unions in H.M.C.S. dockyard here expect to be granted bargaining rights for their members, according to a spokesman. The local council of AF of L union representation on April 11 made a formal request for recognition to Labor Minister Mitchell and Navy Minister Macdonald.

The AF of L council claims that out of 3,000 dockyard employees about 90% of the total number organized are affiliated with it. The council recently rejected the employees' rating chart which had been proposed, and asked for a vote on rating charts.

"The delegates know that they have maintained harmony all through the war," declared a council union official, "when such things as rating charts were not mentioned." Official announcement on a labor policy for the dockyard is expected from Ottawa within a few days.

One of a series of messages to the business, financial and industrial leaders of Canada

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3000 ENGINEERS
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Bendix First
IN
CREATIVE ENGINEERING

In the more than thirty huge plants devoted to the production of Bendix products, and in the twelve great research laboratories which keep Bendix products foremost in their fields, over 3000 engineers watch every detail from the first sketch on a scratchpad to the final finished product.

Included among them are the outstanding names in every field of applied science — electronics, magnetics, electro-mechanics, optics, carburetion, hydraulics, and aerology. And the Bendix organization is so constituted that the special skill and knowledge of these highly-trained technicians can be freely interchanged to the benefit of all products bearing the Bendix name.

The result is exactly what would be predicted — Bendix products for every field, including the automotive, are the last word in advanced design. This is the calibre of the products Bendix-Eclipse of Canada is now supplying for war and will soon supply the Canadian Automotive Industry for peacetime application.

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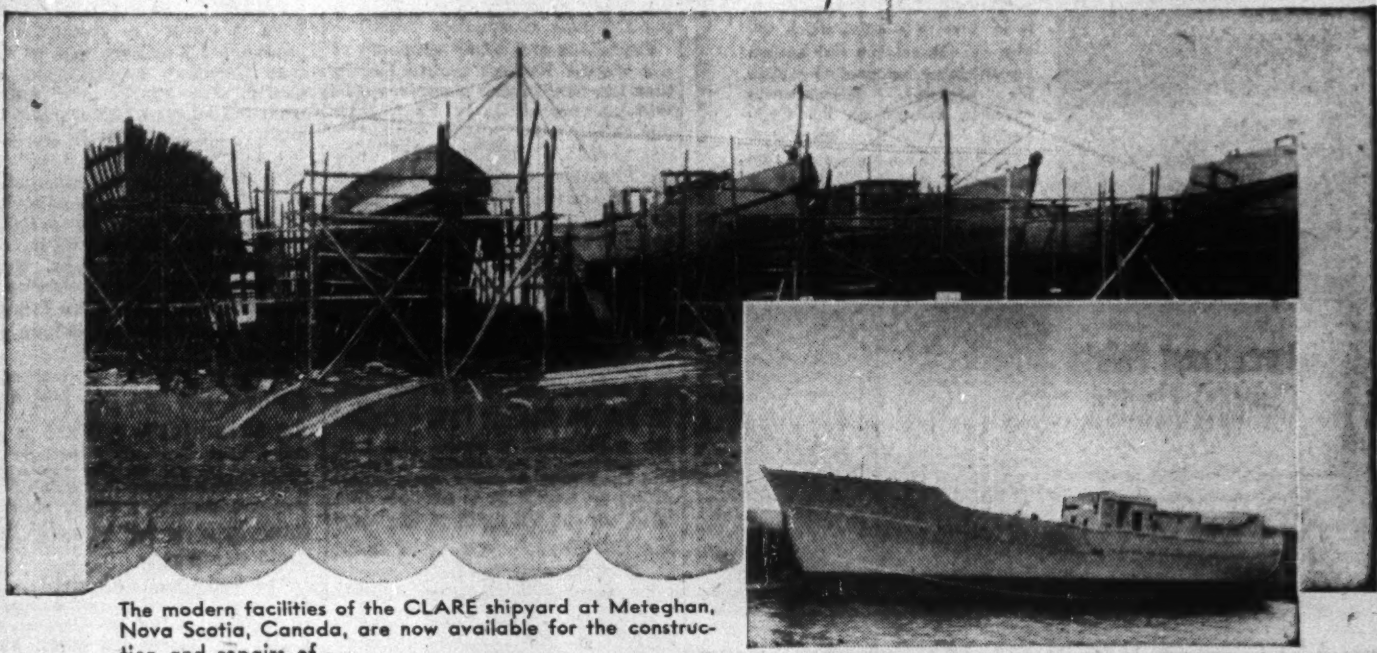

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New Designs, New Skills Boost Our Shipbuilding

(Continued from page 17)

ship in the Canadian contract for Brazil was launched a few days ago.

Canada's shipbuilding activities never before attained the level that has prevailed in recent years. In the last few years, thousands of Canadian workers have developed skill in ship construction crafts, and excellent production facilities have been developed.

Whether Canada maintains a high level of activity at its shipyards after this war depends largely on Government policies that may develop.

Among factors that must be considered in formulating government policies is the certainty that at the end of this war there will be a large excess of shipping facilities in some countries over probable immediate postwar needs. The United States, for instance, has been building excellent modern cargo ships at a rapid rate, and will probably have five times as many ships as she may actually need after the war.

Another aspect is that shipbuilding has been one of the major industries of Britain. Canada in the past has bought most of the ships she has needed from British yards. Britain has the background of experience and skill in this industry, and her cost factor has been relatively low. More important, if Canada is to sell to Britain she must also buy—and ships are one of the main products Britain is likely to want to sell.

In addition, larger Canadian steamship operators are more or less committed to buy ships from Britain after the war. A number of Canadian-owned ships were leased to the British Government early in the war. Some of these ships have been sunk. Britain undertook to replace all ships sunk—but with the proviso that the new ships had to be built in British shipyards.

There are certain more favorable aspects, however. For instance, a number of smaller countries that never before had much, if any, merchant marine of their own are now interested in buying ships for themselves—countries in South America and elsewhere that have escaped the maximum impact of war loss. These countries, of necessity in recent years, have developed new industries and are looking around for postwar markets. They realize the value of having shipping facilities of their own.

In certain quarters in the Canadian shipbuilding industry it is maintained that, with reasonable government co-operation, Canadian shipyards can maintain a high level of employment for at least several years after the war, if not longer.

One leading shipbuilder advocates formation by Canadian shipyards of a central export selling agency, for the East, or East and West, a company which would go out and sell ships for all the yards. Canada will have important requisites—empty berths, in excellent condition, with trained workers, and immediately available; also modern designs.

Making Ships for Brazil

In six months, this executive believes, a central selling agency could collect $75 millions of orders—from Brazil, Argentina, Uruguay, Portugal, Turkey and other countries.

In this connection it should be remembered that at one shipyard in Montreal there are now on the ways three cargo boats, in varying stages of construction, for the Brazilian Government. In addition other South American countries for some time have been enquiring about purchase of ships from Canada.

Another proposal made has been that the Canadian Government negotiate with the British Government on a plan to help rebuild the British merchant fleet with the high-class specialized ships they will need. Canada could make the hulls here, it is contended, and could import from England components which can be manufactured under mass production there. Manufacturer of hulls, and assembly, is not a mass production business.

Would Build Coastal Ships

The ships thus produced at the Canadian yards, it is held, could be sold to Britain at a fair negotiated English price, with the difference absorbed here.

Advantage of such a plan, it is stated, is that Britain would get back a leading position on the seas quickly, large numbers of workers would be employed in Canada in the difficult postwar period, and Britain would be making the components she is in a position to supply.

Also being urged is scrapping of old and worn government ships in service and replacement with modern ships, so as to provide Canada with a high-class efficient inland and coastwise fleet of merchant ships.

Urge Naval Program

Later, perhaps in two-years time, a regular naval building program for Canada is proposed—perhaps two cruisers, two aircraft carriers, four destroyers, six submarines and one depot ship, to make up a rounded-out program. In addition to providing direct work at shipyards, it is held, much indirect employment would be provided; also development of naval service would permit training of young men at a number of trades and skills, and fit them for higher-paid jobs later in civilian life.

That Canada is likely to be giving more attention to development of a merchant marine than it has in the past has been indicated from Ottawa circles. In the closing days of the last Parliament session, Premier King announced that if returned to office he would set up a maritime commission to handle every phase of shipbuilding.

It is generally expected that Canada's big competition in shipbuilding is going to come from British and continental shipyards in the postwar competitive race for markets. Only two months ago Sir Mark Hodgeson, general secretary of the Boilermakers Society of Britain said this:

> "We are the premier shipbuilders of the world, and the most capable of building the types of vessels which are the most economical to run and will be in greatest demand."

British Count on Shipping

Added to that, the British are counting heavily on shipping and shipbuilding as the "principal medium through which Britain can secure her invisible exports, seeing that her overseas investments have been more than halved."

So far the Canadian Government has been very cautious about giving accurate cost figures which would permit comparison of Canadian with British or U. S. shipbuilding costs. The general view is that Canadian costs are lower than those of U. S. on a deadweight ton basis, but 50% higher than those of Britain. It is now claimed that with the rise in wages in Britain (they are said to be 250% higher than in 1936 in this industry) Canadian costs are now only 30% higher than U. K. and 10 to 15% lower than in U. S.

These figures are probably of little value in view of the wartime scale of operations and the admitted emergency conditions in the industry.

What IS clear is that if Canada hopes to compete in the postwar or even in the transition period, her over-all costs must come down and that this decline in costs must be paralleled by ability to design and manufacture a saleable, economical vessel which will meet the special and urgent needs of the postwar demand.

United Nations Authority Controls Ships After V-E

(Continued from page 17)

after the end of the Jap war or may, at most, extend during the next two or three years. This will be the period when anything which floats will be needed to haul cargo, troops or supplies. Once this burden is lifted the real worth and value of present merchant fleets will appear.

By that time Canada and the United States may find much of their fleets (the 10,000-ton vessels) deteriorating rapidly in comparison with what they cost. What shippers will then be seeking will be vessels that can be operated economically and that can make good time and are easily adapted to the special individual needs of the operator. For postwar needs the so-called Liberty-type ship of about 10,000 tons and running 10 to 11 knots per hour will probably be both slow and expensive to run. Certainly these vessels will be useful for a time, but their capital value will probably deteriorate very rapidly as newer, better and more economical vessels appear.

That is why Canada wants to have a stake in this United Nations Maritime Council. True, our tonnage will represent only a small fraction of combined postwar U. S. and U. K. but it will probably be on a par with Norwegian postwar tonnage and will give us a "lever" for bargaining and discussion while we make up our minds what we are going to do with our investment and what size of fleet we hope to maintain over the next decade.

Canadian Internal Authority

That raises another parallel problem — the fact that Canada, for the present, has no over-all authority in charge of shipping and the merchant marine. For the first time Hon. C. D. Howe indicated to Parliament a few days ago that the Government, if returned, would approve a national maritime commission or agency for Canada. This is generally considered as long overdue, but as an essential step in spearheading the Canadian policy for postwar.

As matters now stand, both the chairman and the vice-chairman of the U. S. Maritime Commission are retired naval officers who have been given immense powers and authority in the direction of American shipbuilding activities. These men are naturally very ambitious as to the size and speed of the U. S. merchant marine. After the war, this service may well emerge with something the world has not seen before—a one-thousand-ship fleet of fast cargo ships averaging 14 knots or better. (Even at that it will probably be British and continental merchant tonnage which will be of most importance to Canada from a competitive point of view.)

U. S. merchant tonnage presumably will be chiefly busy ferrying American products to all parts of the world. (The U. S. aim is said to maintain a fleet which would carry at least 50% of U. S. postwar foreign trade in U. S. bottoms.) British and Scandinavian tonnage will, as of old, want to handle other people's tonnage as well as their own and will probably be prepared to offer a service and rates that will be much more attractive to shippers than anything we ourselves could attain without considerable subsidy.

Actually, the Government at Ottawa has now before it a number of important though tentative conclusions as to what should be done with Canada's merchant marine at the close of the war. Briefly, these conclusions may be stated as follows:

1. That Canada, in view of her large war commitment, can and should quite properly use her postwar fleet of merchant ships as a legitimate bargaining instrument in whatever readjustments are made in postwar shipping.

2. That the Government retain ownership of these ships at least until such time and in sufficient quantity until our bargaining position in the postwar maritime world is established.

(It is recognized that this country may be asked to contribute a number of her ships to be turned over to nations which have lost their own ships. This, of course, is not questioned.)

3. That large Canadian operators such as Dosco, Alcoa, etc., be encouraged to purchase what vessels they require, provided they retain these and operate them as ships of Canadian register.

4. That the present management fee arrangement for operating government-owned vessels be retained through the present instrument (Park Steamship Co.).

5. Even though it is too early to discern the long-term trend, some basic principles should be established:

(a) that Canadian owners and private operators be encouraged to purchase merchant tonnage outright wherever possible and maintain these ships as Canadian register.

(b) that such ships as cannot be disposed of to private operators be operated by the Government through Park Steamships on an incentive management fee basis, so long as this can be done without actual prospective losses, or on a straight charter basis.

(c) that over and above the vessels sold or retained as an operating nucleus for a Canadian merchant marine, the remainder be either sold to other nations or else laid up.

Presumably if, as, and when the Government appoints one man or agency with wide powers to direct the new "Maritime Commission" policy, these tentative suggestions will be hammered into a national policy—something which Canada now very largely lacks.

War Makes Major Changes In World Holdings of Ships

(Continued from page 17)

1943, and 1944 losses have been comparatively negligible.

But in cargo ships of 10,000 tons or less, a classification which includes tankers and small coasters and makes up the core of any fleet, Britain will have 20 million tons, deadweight, indicating net losses in this class since 1939 have not exceeded 16 or 17%. This compares with 25.5 million dwt. tons pre-war.

In addition, Britain has been building fast cargo liners running up to 12,000 dwt and 18 knots maximum, tankers, refrigerator ships, colliers, ventilated fruiters, heavy-lift derrick ships and other odd types.

Thus Britain is second only to the U. S., but what will Russia do? Russia possesses unmeasured resources—iron, coal, oil, other basic trade commodities—may utilize vast supplies to build an enormous fleet to trade abroad and thus set the pace for future marine development.

Greek Tramps Best

Another enigma in the shipping world is Greece, specializer in tramp trading, whose tiny fleet was destroyed during war, may largely be rebuilt through Greek purchase of war surplus vessels on a mortgage basis, because she cannot afford to pay cash for them.

American shippers carried 90% of their own trade a century ago, prospered as a result. But American shipping declined, relatively speaking, in 1914 and carried only one tenth of the U. S.'s own trade. Peacetime deep sea shipping policy would favor stripping Germany and Japan of all overseas shipping, but the U. S. has no desire to thwart legitimate operations of other nations at sea.

Coasting trade is a form of water-borne traffic that has assumed great importance in Canada owing to the long coast lines on the Atlantic and Pacific oceans and along the Great Lakes and the St. Lawrence River system. The movement of grain from Fort William and Port Arthur to Canadian ports on the Lower Lakes and to Montreal is one important factor in coastwise shipping.

Reports of traffic through Canadian canals (DBS) reveal Canada has surrendered tonnage leadership to the United States. Pre-war year 1939 and war year 1942 point up the sharp switch-about:

Origin of Freight Carried

	Canada		United States	
	tons	% of total)	tons	% of total)
1939.....	14,150,305	(60.5)	9,240,772	(39.5)
1942.....	7,764,804	(37.2)	13,134,835	(62.8)

Traffic in war commodities, notably iron ore, could account for the emphatic shift from Canadian to American dominance in canal trade. Canadian vessels carry the bulk of grain, American as well as Canadian, down the Welland ship canal.

In 1941 grain tonnage shipped on the Great Lakes amounted to 11,387,480 tons, but in 1942 a record shipment of iron ore on the lakes amounted to 94,326,578 tons, about nine times as much ore as grain. American dominance, statistically, in lakes' trade would have been more pronounced except for the fact that Canadian carriers took part in the record movement of ore. For, in 1942, there were 340 American and Canadian ore carriers, including several boats taken from regular grain runs, to do this immense job during an extremely favorable season that lasted 254 days. Furthermore, Canadian vessels were used between all ports regardless of the international boundary.

In line with its tremendous strides in deep-sea tonnage, American Great Lakes shipping might require in peacetime 3.5 million d.w.t. American rivers (6,000 miles navigable) would need 2.5 million tons of shipping and 3.8 million dwt. tons could be used in coastal and intercoastal transportation.

This would leave 7.5 million tons for foreign shipping. At a rough estimate Canada might get about 40% of Great Lakes trade, but its share might return to pre-war 60% as shipments for war disappeared and grains became the dominant commodities once again on the lakes.

SALES MANAGER

F. Arthur Kuhn, appointed sales manager of Toledo Steel Products (Canada) Ltd.

New Celanese Units Nearing Completion

MONTREAL (Staff)—As a result of current plant expansion, Canadian Celanese, Ltd., will be able to make available yarns for outside factories as well as for its own processing units, W. McC. Cameron, vice-president, stated at the company's annual meeting.

The new buildings are now practically completed, Mr. Cameron reported, and equipment has been obtained for the chemical plant, but new facilities for making filament yarn and staple are not yet ready. By the end of the year, however, it is expected that all units will be in production.

Adequate labor supply is the company's biggest problem at present, it is stated.

The same principle that protects your dairy profits now protects the power plants of fighting ships

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DE LAVAL Oil Purifiers which operate on identically the same principle as your De Laval Cream Separator, but are larger in size, are used on all types of naval as well as merchant marine vessels the world over . . . On battleships of the type shown above eight of these De Lavals are used. The oil from the turbine power plants is circulated continuously through the purifiers, and any water, dirt or impurities in it are removed by centrifugal force, protecting the bearings as well as saving oil . . . Thus the De Laval centrifugal principle helps protect our battleships just as it protects profits on farms the world over by saving and increasing butterfat . . . This is only one of many uses for De Laval industrial centrifugal machines. In addition De Laval is doing other important precision war work as well as making as many milkers and separators as our Government desires us to do . . . On thousands of farms De Laval Milkers and Separators are saving time and labour and helping to increase our essential milk and butterfat supply.

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CNR Net Revenue Continues Decline

MONTREAL (Staff) — Canadian National Railways reports operating revenues in March totalled $37,046,000, decline of $812,000 from March, 1944, and net revenue after operating expenses was $7,728,000, decline of $392,000.

Operating revenues for the first quarter of 1945 totalled $100,843,000, decline of $3,985,000 from corresponding 1944 period, and net revenue $14,678,000, decline of $4,014,000.

Legislation Is Imminent In Montreal Power Case

MONTREAL (Staff) — Special legislation will be introduced during the present session of the Quebec Legislature to settle the Montreal Light, Heat & Power Consolidated case, Premier Maurice Duplessis has announced.

Dominion Tar & Chemical Co. stockholders have ratified a new bylaw fixing the number of directors at ten instead of the former 11.

Island Mountain Mines advises that gold production totalled $37,380 from 2,170 tons milled, an average of $17.22 gold per ton during March, 1945, compared with $35,058 from 2,000 tons milled, an average of $17.53 in February.

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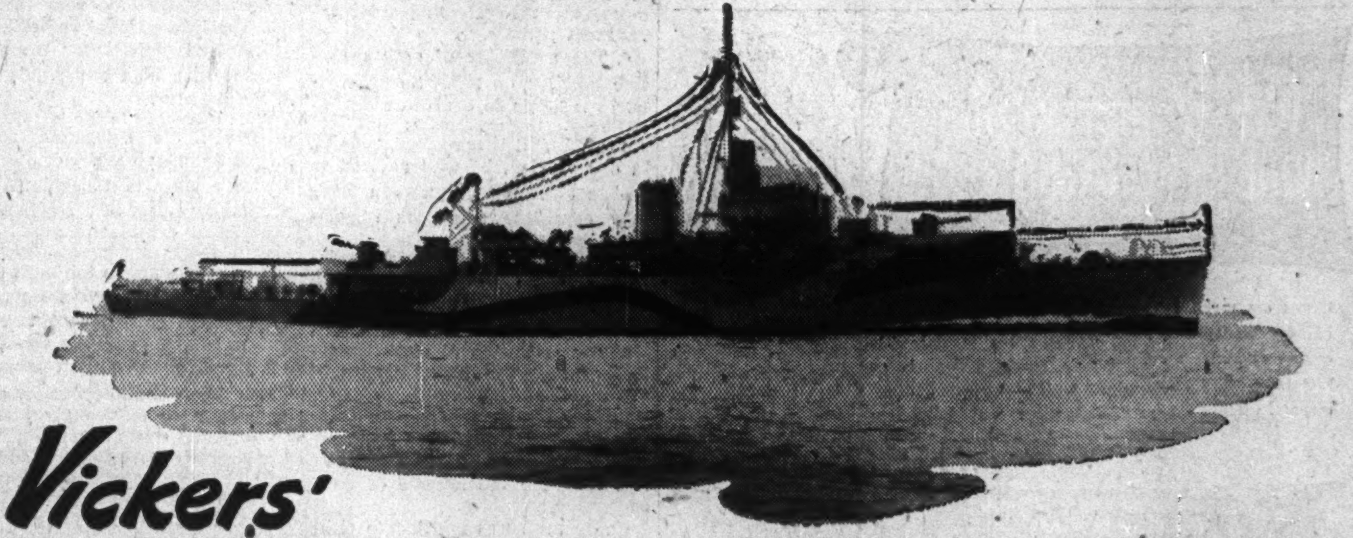

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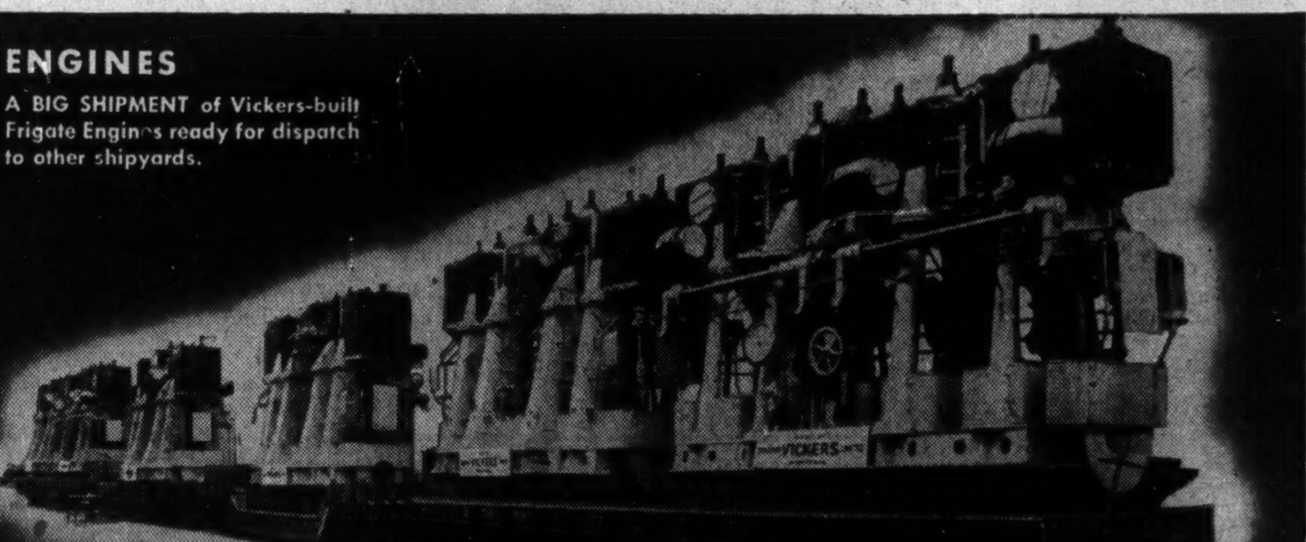

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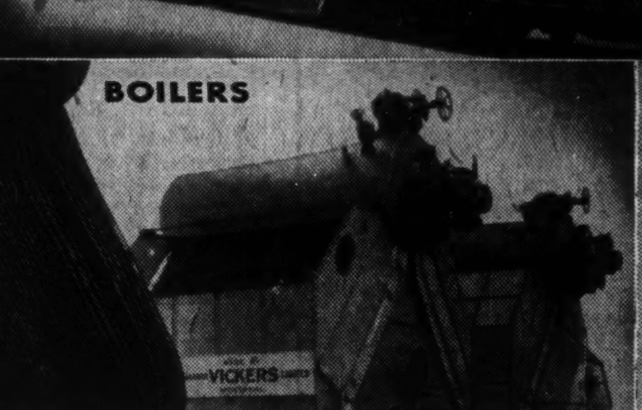

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Concerted Onslaught on Depression Is Urged by International Committee

League Committee's Anti-Depression Proposals Round Up Familiar Domestic Policies Urged by Beveridge and Others Provide For Operation On An International Basis Termed Essential

How to prevent or minimize depressions in the future?

That was the subject of a long study by an international group of monetary and economic experts which has just been published by the League of Nations.

Two Canadians in the group which authorized this 319-page report are Graham Towers, Governor of the Bank of Canada, and one of his associates, Louis Rasminsky.

Basic points made in the report are:

Depressions are international, hence attempts to head them off or instigate them should be international in scope.

The whole national mechanics of production should be made as adaptable as possible to changes in demand.

Depressions should be fought with expansion, but not with ill-considered policies leading to inflation or an unwieldy national debt.

The study is important chiefly because it draws attention to the international nature of depressions—a point nodded to but not always stressed in the plans of separate governments to promote employment in their own countries. "Nothing could be more dangerous and untrue," says the report, "than to assume that the maintenance of the fullest possible measure of employment can be left to each government acting in isolated independence. All will be affected by the success or failure of all others; all must co-operate in their attempts to attain the end on which we believe all agree. Even granted such co-operation, success will not be achieved lightly or rapidly."

The different types of depression and the effect of depressions on different types of countries are distinguished; consequently, special chapters are devoted to cyclical depressions, the most universal and serious form, to chronic depression, to unemployment in special areas or industries, and to the special difficulties which raw material and food-producing countries have to face.

But the main emphasis is laid on the importance of the investment process as a cause of unemployment, and consequently the major part of the discussion on policy is devoted to measures that could be adopted in highly industrialized countries, to international measures and to the co-ordination of national policies.

Measures Recommended

Among the domestic measures which, it is suggested, governments might employ, the following are given a prominent position:

Under measures exerting influence on private consumption:

1. All measures of social insurance, especially unemployment insurance, because they help to maintain money incomes and consumer's demand when economic activity wanes.
2. The variation of social insurance premiums, as well as tax rates, in such a way that they are raised when employment is high and lowered when employment is low.
3. Measures which tend to promote greater equality in the distribution of income without checking progress (e.g. policies to improve public health, to increase economic opportunity and educational facilities, and to reduce the prices of goods of primary necessity especially by lowering tariffs and improving production methods).
4. Measures which tend to make the ownership of capital more widespread (e.g. the provision of adequate investment facilities for the small saver).
5. The variation of credit conditions applied to installment purchases so that they are eased in periods of depression and tightened in periods of boom.

Under measures affecting private investment the committee recommends:

1. The encouragement of residential construction through greater flexibility in mortgage interest and amortization periods, insurance of mortgages, and measures for breaking down monopoly elements and reducing financial costs when these are unduly high.
2. The dovetailing so far as practicable of public construction with variations in private construction.
3. The collection and publication of information which will help management in framing their investment policies.
4. The avoidance of such excessive taxation on risk-bearing capital as is likely to constitute an impediment to enterprise; ("Fiscal authorities," it is remarked, "would, in our opinion, be well advised to realize that high corporation taxes may constitute a serious impediment to enterprise.")
5. Provisions for ample depreciation and obsolescence allowances in computing corporation tax liabilities.
6. The collection of statistics relating to stocks of raw materials, and their publication in the form of international tables.
7. Credit policies appropriate for creating the monetary conditions necessary for the success of anti-depression measures.

Under measures relating to public expenditure and fiscal policy:

1. Expenditure policies that provide so far as possible for the concentration of public investment expenditure in periods of depression.
2. Budgeting for deficits when private expenditure is low and for surpluses when it is high.
3. Taxes of which the yield varies with fluctuations in business activity.
4. The compilation by governments of estimates of national income to supplement their budget estimates and to guide them in the framing of their contra-cyclical policies.

Under measures relating to foreign investment:

1. The promotion of contra-cyclical foreign lending.
2. The encouragement, so far as possible, of equity or direct investment in preference to fixed-interest-bearing loans.
3. The allowance in loan contracts for accelerated amortization in periods of activity and for relaxation of amortization in periods of depression, when such a course is practicable.

International Measures

Owing to the international nature of depressions, great importance is attached to international measures. Those proposed fall under five heads:

1. The adoption of more liberal and dynamic commercial and economic policies.
2. The creation of an international monetary mechanism.
3. The creation of an international institution which will stimulate and encourage the international movement of capital for productive purposes and which will, so far as possible, impart a contra-cyclical character to this movement.
4. The creation of a buffer stock agency which would help to keep prices of raw materials and the incomes of their producers more stable than they have been in the past.
5. The international co-ordination of national policies for the maintenance of a high and stable level of employment.

With reference to the last of these proposals, the delegation recommends the appointment of a central advisory body of recognized competence as a part of the general international organization; this body should meet at frequent intervals and be charged with the tasks of:

1. Studying the policies pursued by different governments affecting economic activity.
2. Studying the fluctuations which take place in economic activity locally or universally and analyzing their causes.
3. Keeping governments and the general public informed concerning its findings and making available to governments its views about policies which might be pursued in order to revive or maintain economic activity.
4. Arranging, when necessary, for joint discussions between itself and representatives of governments and of international bodies concerned with economic policy.
5. Recommending to the appropriate organ of the United Nations joint discussions among governments, when such a course proves advisable, with a view to formulating common policies against the common enemy which depressions constitute.

Warnings Issued

Throughout the report the delegation repeatedly draws attention to the risk of ill-considered policies for securing a high level of employment leading to inflation or to an unwieldy national debt. For this reason it insists on the need for rendering the whole national mechanism of production as adaptable as possible to changes in demand—the need for labor mobility, for training labor in new skills, etc. It insists, likewise, on the need for preventing monopoly and the endeavor of any section of the community to derive special benefits for itself through restrictive policies. The keynote of the report is expansion.

Authorship of the Report

The members of the delegation or their substitutes who participated in the preparation of the report were: Mr. Winfield W. Riefler (chairman), professor at the Institute for Advanced Study, Princeton, and until recently United States Minister in London; The Honorable R. H. Brand, C.M.G., principle representative of the British Treasury in the United States; W. Domaniewski, commercial counsellor, Polish Embassy, Washington, and R. Marjolin, Director of External Relations, Ministry of National Economy, Paris, who both substituted on occasion for Z. Karpinski, manager of the Bank of Poland; Professor Carter Goodrich, Columbia University, representing the International Development Works Committee of the International Labor Organization; Dr. D. Crena de Iongh, chair of the board for the Netherlands Indies, Surinam and Curacao; F. I. McDougall, C.M.G., economic adviser to the Australian Government in London; Professor O. Morgenstern, Princeton University, formerly director the Austrian Institute for Business Cycle Research; G. F. Towers, C.M.G., governor of the Bank of Canada, who was replaced at certain meetings by Louis Rasminsky, alternate chairman of the Foreign Exchange Control Board, Canada. Professor G. Haberler of Harvard University, the author of Prosperity and Depression, also participated in all meetings.

Courageous Gold Mining Co., controlled by Vincent Mining Corp., reports plans under way to start a diamond drilling campaign under the direction of J. P. Norrie. The company proposes to cross-section the Louvicourt twp. property from north to south with a view to picking up the south contact of the grandiorite on which Bevcourt obtained its results.

BOOST BOND BUYING

Jerome Gold Mines advises during 1944 the shaft was sunk to a [illegible] of 1,238 ft. with a small station cut at the 950-ft. level, but no [illegible] work was done there. Some 647 ft. of crosscutting and 2,018 ft. of drifting were carried out on the [illegible] ft. horizon, but high pressure water was encountered in a drill hole on the east drift on this level, which resulted in flooding to the 650-ft. level. Work was delayed a month before the flow was brought under control. Ore reserves were increased to 295,373 tons, averaging 0.199 oz. Current assets as at Dec. 31, 1944, were $129,536 as against current liabilities of $304,304, including loans of $283,563.

Dorbaska Gold Mines advises that diamond drilling is expected to start immediately on its Louvicourt twp., Que., property. The magnetometer survey has been completed.

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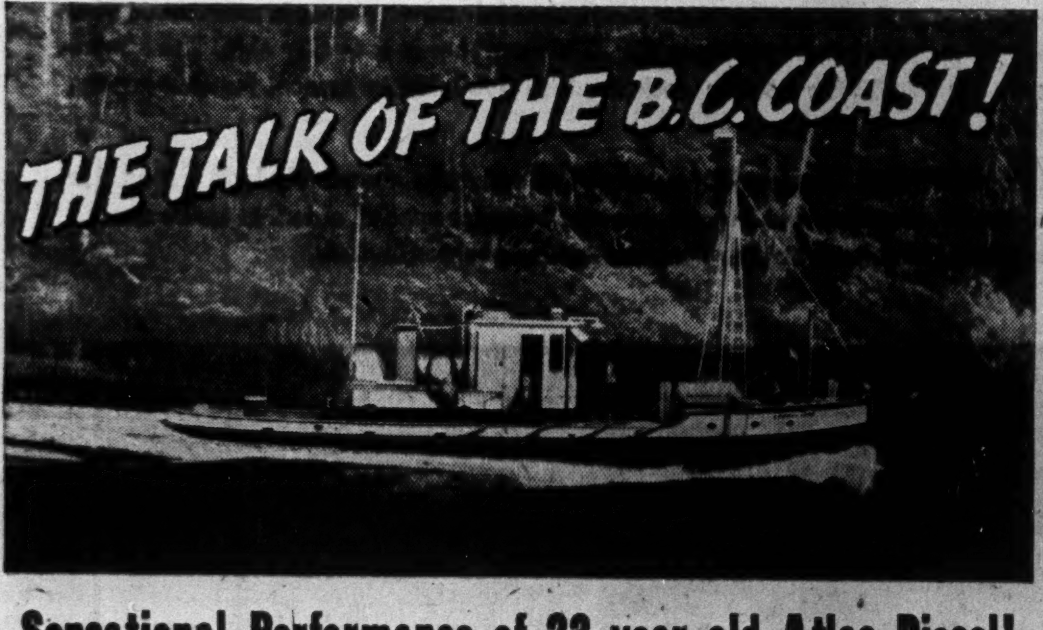

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DMS Contract Settlement Head Outlines Plans to Settle Terminated War Contracts

Contractor's Problem is Inventory Disposal and He Must Give Settlement Officer Concrete Proposals, Figures, Amounts, Williams Warns

By W. F. WILLIAMS
Chairman, Contract Settlement Board, Munitions and Supply Department

Problems which will arise as a result of any substantial "mass" termination" of war contracts following the cessation of hostilities in Europe fall within three broad categories.

(1). Those which have to do with the settlement of the contractor's claim against the Government, following the termination of his contract, including adequate interim financing pending the examination of the claim and the settlement.

(2). Those arising out of speedy removal from the contractor's plant of production materials, supplies and equipment which either are already Crown property or become so as a part of the above-mentioned settlements and which are no longer required for war production. This is sometimes of more importance to the contractor than the settlement of his claim, for it will aid him in carrying out the rapid reconversion of his plant to its normal peacetime production.

Orderly Release

(3). Problems which deal with the orderly marketing or disposal of the vast quantities of surplus stores and equipment which have come into the possession of the Government. If this were not properly controlled and administered there undoubtedly would be created a most depressing effect on the economic system of the country as a whole.

The first of these groups comes entirely within the jurisdiction of the Department of Munitions and Supply. The second group requires close co-operation and co-ordination between the Department of Munitions and Supply and the newly created Department of Reconstruction, while the third group is exclusively the problem of the latter Department.

In November, 1944, the Minister authorized the creation of the Contract Settlement Board. In addition to the writer who serves as Chairman, the Board consists of Mr. Charles Gavsie, Associate General Counsel of the Department and Mr. W. D. Low, Executive Assistant (Purchasing) to the Deputy Minister. The Minister has delegated to the Board full authority for settling all claims under terminated or partially terminated contracts.

The Contract Settlement Board is divided into three sections: the Settlement Division, the Inspection Division and the Property Division.

Settlement Division

The Settlement Division is the one with which the contractor primarily comes in personal contact. When a claim has been received, it is registered, checked as to mathematical accuracy and then passed to a Settlement Officer, who is assigned to carry out all the negotiations leading up to a settlement under that particular terminated contract. While it is the duty and responsibility of the Settlement Officer to discuss with the contractor, or his representative, all matters pertaining to the settlement, he does not act alone in this regard; he is, in fact, the captain of a team which includes representatives from the Inspection and Property Divisions of the Board and a representative of the Chief Cost Accountant of the Treasury, a Legal Officer and those production and procurement officers of the Department who were in close touch with the production of the particular store being manufactured.

Ordinarily, the first duty of the Settlement Officer upon receiving a copy of the termination notice will be to communicate with the contractor, advising him that he has been assigned to handle the settlement and if the claim is likely to be substantial, request him or his representative to come to Ottawa to discuss the settlement and the disposal of the termination inventory.

Answer Questions

At this preliminary conference the contractor will be advised concerning the transfer of materials on hand and any other matters which may be causing him concern. This will be particularly important if this should be his first termination. At this time, many contentious items can be disposed of and the work involved in the preparation of the claim can be greatly simplified and reduced in volume.

Inventory Problem

One of the greatest problems which the contractor will have to face is the disposal of the termination inventory. It is important, therefore, that the contractor come to this preliminary conference armed with figures as to the amounts and values of the major items of his inventory and prepared to make concrete proposals as to their disposal. If these materials are not required for other war programmes, they may, within certain limits and if so authorized by the Settlement Officer, be disposed of by the contractor. It is obvious that where a contractor will assist the Government in the disposal of these inventories, his plant will be cleared of such inventories in a much shorter period of time than if he were to wait until final settlement of his claim had been made and title passed to the Government, and the materials then declared surplus by the Department of Munitions and Supply to the Department of Reconstruction for disposal by War Assets Corporation.

If at all possible, the contractor should submit at the preliminary meeting an estimate of the amount which he will be required to pay to sub-contractors and suppliers for goods or services contracted for by him in connection with the terminated contract. If the Settlement Officer is satisfied that the contractor's purchasing procedure is consistent with the purchasing policies of the Department, and that the contractor has arranged for an adequate check by Accounting and Production Personnel of all claims submitted to him by subcontractors, he may authorize the contractor to settle, without further reference to the Board, many of the claims of such sub-contractors. This authority may be limited as to amount, or it may be varied from time to time depending upon the knowledge and confidence the Settlement Officer has of and in the prime contractor and his organization.

Four Categories

It is the desire of the Department, in so far as it is consistent with Government policy and practicable so to do, to dispose of inventories "in place." Contractors should, therefore, consider their inventories and be prepared to classify them into four general groups.

GROUP 1: Items which the contractor can return to suppliers or which he is prepared to take over, at cost, for use on other Government contracts or in his ordinary production.

GROUP 2: Items which he can use himself, dispose of to others or return to suppliers at a discount. In this case, he should be prepared to justify the amount of the discount recommended.

GROUP 3: Items which are of no actual use to the contractor himself but which he feels might have some value to other contractors—whether for war purposes or for peacetime production.

GROUP 4: Items which the contractor feels would have no value to himself or to anyone else. This group would obviously include work-in-process on such items as shells, guns, tanks, etc., which, due to obsolescence, are no longer required for war purposes.

Final Claim

Following the preliminary discussion, the contractor should be in a position to arrange for settlement of his sub-contractor's claims and prepare his Final Claim for submission to the Department.

Schedules making up the Form relate to the inventory of metals and other raw materials, manufactured parts and work-in-process, settlements which have been made with sub-contractors and those costs which have been incurred by the contractor subsequent to the termination of the contract, as well as the unamortized cost of jigs, tools, dies, fixtures and gauges which have been specifically purchased for the particular contract. In addition, the contractor should set out full details of the profit claimed and the manner in which he computes such profit.

In January, 1944, authority was granted to the Minister of Munitions and Supply to settle claims under terminated contracts by negotiation and agreement. It is important, however, to understand that a negotiated settlement must not be considered as mere "horse trading." It must be based upon, and supported by, a record of the facts after a reasonable examination of the claim.

Inspection Division

It is the duty and the responsibility of the Chief Inspector to advise the Settlement Officer in connection with the inventory of raw materials, work-in-process and finished goods submitted by the contractor in support of his claim under the terminated contract. In this regard, the Chief Inspector consults with production officials of the Department and, if necessary, with representatives of the Inspection Board of the United Kingdom and Canada. He may forward the inventory to his District Inspectors who are required, where substantial amounts are involved, to make a physical test check of the inventory.

Property Division

It is the duty of the Property Transfer Supervisor so to work in conjunction with the Settlement Officer that the inventory taken over at the time of termination may be removed from the contractor's plant as speedily as possible.

The title to the inventory ordinarily will not pass to the Crown until settlement has been arranged with the contractor. On receipt of the first complete inventory submitted by the contractor, and concurrent with the negotiations leading up to the settlement, the items shown on the inventory will be cleared with the Director General of the Production Branch which is concerned with the particular store being manufactured and also with the Co-ordinator of Production, who may require some or all of them for other production programs. If, however, no further war production use can be made of the various items in the inventory, they will then be declared surplus to war needs and passed to the Department of Reconstruction for eventual disposal.

Interim Division

For many contractors, particularly those who are working almost exclusively on war contracts, the sudden termination of their contracts will result in severe financial difficulties. In the meantime, however, the contractor may have had to pay large sums in connection with the terminated contract not only to those employees who may be laid off as a result of the termination, but also to many sub-contractors and suppliers from whom he had made purchases. Many of these sub-contractors and suppliers will be small firms or jobbers whose very existence depends upon prompt settlement of their accounts. They have not the facilities for securing credit that the larger and old established firms have, and they face not only financial embarrassment but possible bankruptcy unless they can secure adequate financial assistance immediately.

This was recognized by the Department and in July, 1943, authority was granted to the Minister to make interim or partial payments to contractors under terminated contracts of such amounts as he might authorize or approve.

Interim payments can be secured in a comparatively short period of time. Our experience so far has been that very few Requests have taken more than 10 days to flow through the Department.

Inadmissable Costs

Inadmissable costs include such things as losses on other contracts, fees and other expenses not directly related to the terminated contract, losses on investments, provisions for contingencies and premiums on life insurance. Other unallowable items are expenses of converting the contractor's facilities to other uses, the loss or expense occasioned by reason of the fact that the contractor negligently or wilfully failed to stop work within a reasonable time after the receipt of the termination notice and costs incurred because of materials or services purchased or contracted for in excess of the reasonable quantitative requirements of the contract. This list does not include all the unallowable items but it will serve as a guide to show the general type of item which cannot be admitted as part of the cost of performing the contract.

In arriving at the amount of profit to be allowed, the Settlement Officer will judge each claim on its own merits. He is expected to exercise sound judgment and to recommend a profit which is fair and reasonable in the light of all the circumstances.

JOINS BOARD

J. R. Charles, Toronto, appointed a director of Spitzer & Mills Ltd., advertising.

The Great Eastern Oil & Import Co. profit for 1944 amounted to $31,949 as compared with $67,234 for 1943. After dividends of $17,947, surplus for year was $14,002, as compared with $49,287 in 1943. Current assets as at Dec. 31, 1944, amounted to $343,013 as against current liabilities of $73,281. Current assets as at Dec. 31, 1943, amounted to $385,291 as against current liabilities of $112,365.

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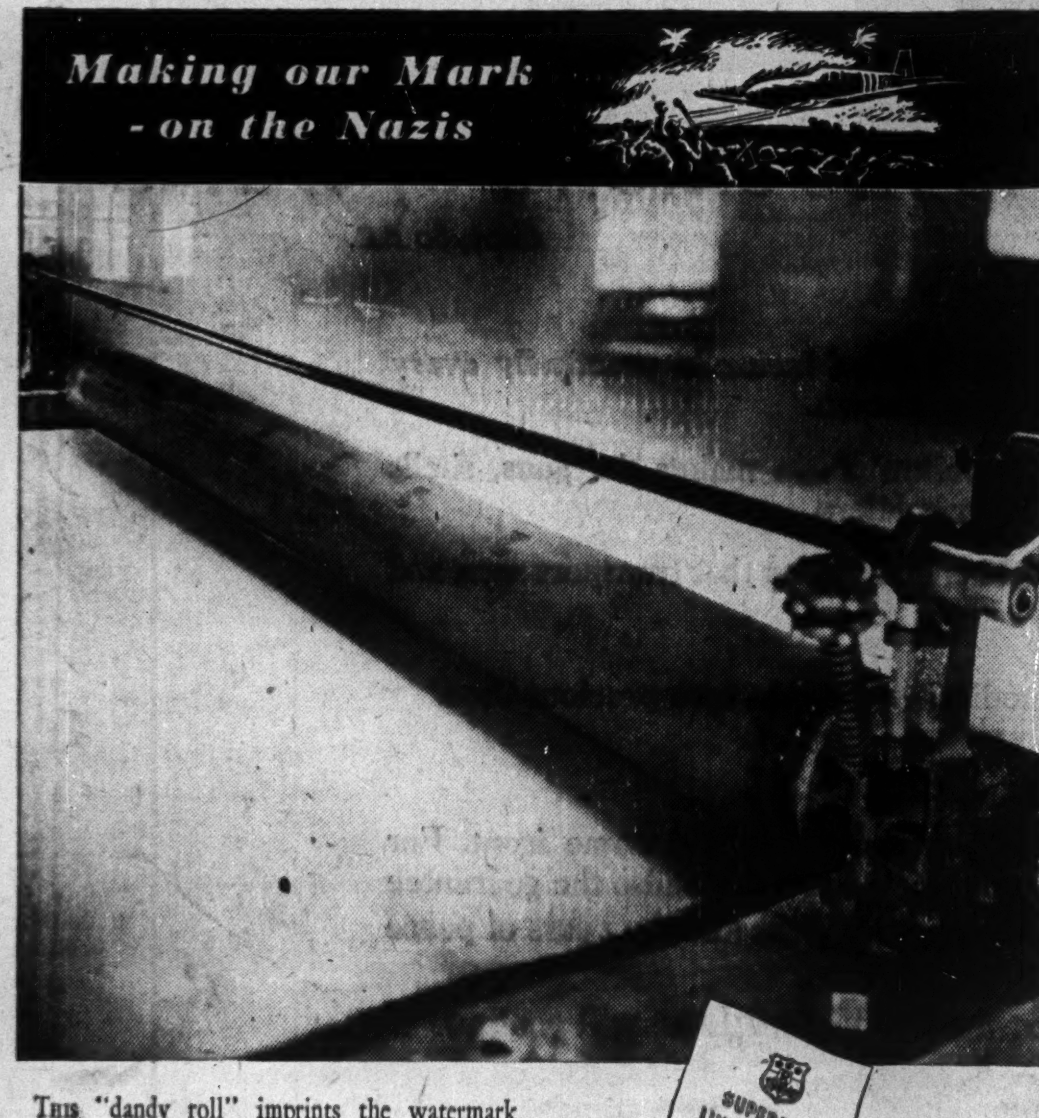

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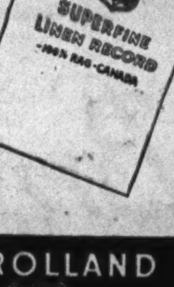

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DOMINION WOOLLENS AND WORSTEDS, LIMITED

BALANCE SHEET AS AT 31st DECEMBER, 1944

ASSETS

Current:		
Cash on hand and in banks	$ 77,399.16	
Accounts receivable	376,276.89	
Inventories of finished goods, goods in process, raw materials and supplies on hand and in transit, as determined and certified by the Management and valued at the lower of cost or market, less reserve for future decline in values in accordance with the Excess Profits Tax Act	1,138,314.29	
Dominion of Canada bonds (market value $400,000.00) at cost	400 000.00	$1,991,990.34
Fixed:		
At depreciated replacement values in 1928, as certified by the Canadian Appraisal Company Limited, comprising land, buildings, houses, plant and equipment, less amounts written off plus subsequent additions at cost	$3,852,656.59	
Less: Reserve for depreciation	1,842,789.93	2,009,866.66
Unexpired insurance and other deferred charges to operations		9,055.59
		$4,010,912.59

LIABILITIES

Current:		
Accounts and bills payable	$ 130,772.80	
Accrued wages and other accrued liabilities	21,454.70	
Sales tax payable	1,853.79	
Dividend payable on common stock	73,641.50	
Bond and debenture interest accrued	42,380.00	
First mortgage serial bonds maturing 1st February, 1945	50,000.00	
Dominion Government — amount refundable on war contracts, estimated (after deduction of related income and excess profits taxes recoverable)	45,876.02	
Dominion income and excess profits taxes, estimated, less instalments paid on account	107,116.24	$ 473,094.85
Funded Debt:		
First mortgage serial bonds:		
Authorized $2,000,000.00		
Issued 700,000.00		
Outstanding (less bonds maturing 1st February, 1945) 3%, 3½% and 4%, maturing 1946-1954	$ 650,000.00	
Redeemable sinking fund debentures 5%, maturing 1964: Authorized and issued	1,270,200.00	1,920,200.00
Reserve for Bad Debts		51,351.24
Reserve for Contingencies		200,000.00
Capital and Surplus:		
Common stock:		
Authorized, 155,000 shares of no par value		
Issued and fully paid:		
Balance 1st January, 1944 ....85,585 shares $855,850.00		
Issued during year ....61,698 shares 61,698.00		
Balance 31st December, 1944 .147,283 shares	$ 917,548.00	
Earned surplus	448,718.50	1,366,266.50
		$4,010,912.59

DOMINION WOOLLENS & WORSTEDS, LIMITED, Toronto, Ontario.

We have examined the above Balance Sheet of Dominion Woollens & Worsteds, Limited as at 31st December, 1944, and the related Statements of Surplus and of Income and Expenditure for the year ended on that date. In connection therewith we made a general review of the accounting methods of the company and examined or tested accounting records and other supporting evidence to the extent that we deemed appropriate without making a detailed audit of the transactions. We have received all the information and explanations we have required.

The Board of Directors by resolution has made provision for depreciation in the amount of $87,000.00 for the year ended 31st December, 1944.

Subject to the foregoing and to various uncertainties in the determination of its financial position as a result of wartime conditions as referred to in the Report of the Directors to the Shareholders dated 24th April, 1945, in our opinion the attached Balance Sheet and related Statements of Surplus and of Income and Expenditure are properly drawn up so as to exhibit a true and correct view of the affairs of the company at 31st December, 1944, and the result of its operations for the year ended on that date, according to the best of our information and the explanation given to us and as shown by the books of the company.

P. S. ROSS & SONS, Chartered Accountants.
TORONTO, ONT., 25th April, 1945.

NOTE: No amount has been set up in the Company's accounts and financial statements with respect to the Refundable Portion of the Dominion Excess Profits Tax.

Signed on behalf of the Board:
HENRY BARRETT, Director
J. A. GAIRDNER, Director.

STATEMENT OF INCOME AND EXPENDITURE
For the year ended 31st December, 1944

Profit from operations, after charges of $60,014.88 for remuneration of executive officers and salaried directors and solicitors' fees, and $11,500.00 for directors' fees, and before providing for the undernoted charges		$572,127.19
Deduct:		
Provision for depreciation	$ 87,000.00	
Bond and debenture interest	108,101.75	
Loss on sale of securities	1,197.87	196,299.62
Net profit from operations		$375,827.57
Deduct:		
Provision for Dominion income and excess profits taxes		152,000.00
Net profit transferred to earned surplus		$223,827.57

Clip this and mail it overseas—airmail today.

A Message from
GEORGE DREW
to all with Relatives and Friends Overseas

ARRANGEMENTS have been made by the Ontario Government for members of all the Armed Services overseas to vote in the coming Ontario election by placing a ballot in a ballot box for the candidate of their own choice. The arrangements which have been completed for the Ontario vote are the best which have yet been made for any Active Service vote. The Government, however, can only make the arrangements for taking the vote. What is equally important is that those who are overseas know the name of the candidates, the party they are supporting and have a sufficiently clear picture of the issues to decide how they should vote. That can only be done if those at home supply them with information. May I strongly urge every wife, mother, father, sister, brother or friend of those overseas to write and tell them all they can about the coming Ontario election. By clippings from newspapers, by editorial comment, and by personal explanation, a clear understanding can be given of what is really at stake in this Ontario election.

One of the things which will cause the greatest difficulty in the minds of those overseas, particularly those who live in large cities, is to determine which Riding they live in. Maps will be available, but even the best map sometimes leaves doubt when the voter has been away from home for a long time, or as is true in so many cases has never voted before. This difficulty will be increased because of the difference between the boundaries of Dominion and Provincial Ridings.

I would suggest that you write *immediately, by airmail,* to all with whom you are in communication and tell them the Riding in which they live and give them what information you can about the party and the candidate in the Riding where they are entitled to vote.

I should mention that every member of the Armed Forces overseas of any age is entitled to vote. They, above all others have the right to vote. They have preserved for us that free system of Government which depends upon the choice of our own representatives. Our job here at home is not only to make sure that they have the chance to vote but also to do everything possible to make sure that they are able to vote with knowledge of the real issues in the election.

For the sake of convenience, I am suggesting that you simply cut out this message and address it to someone overseas giving the information required. Each one of us here at home has a responsibility to help them to choose the Government which will have so much to do with their future in the years of peace. May I again urge you to write at once, by airmail, not only to those closest to you but to as many as you know in any of the services outside of Canada. Tell them what *Provincial* Riding they reside in at home—then the name of the candidate and any further information you can supply.

Yours sincerely,

George A. Drew

Your Provincial Riding is ____________________

Your Candidate is ____________________

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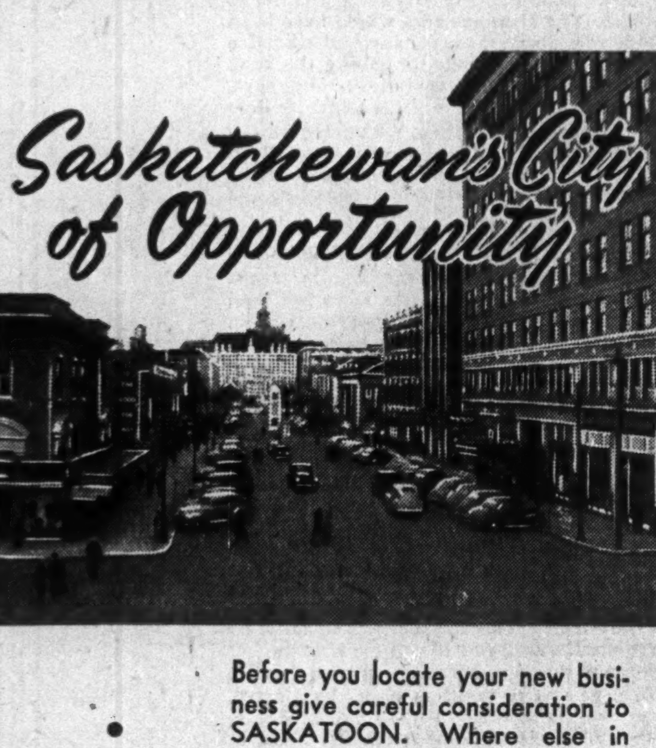

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LONDON CALLING — BY ADELPHI

Winnie Puts Off 'Momentous' Speech Britons Still Wait V-E Day Statement

LONDON (by cable)—Life in these islands in recent days has been a mixture of blue skies, Mediterranean sunshine and spectacular events.

There has been a constant feeling of climax and anticlimax. When it became known that Churchill was to make a momentous speech on Thursday, April 19, all the wise people knew that the Prime Minister was going to announce an official declaration of the end of the war with Germany. I can hardly remember a more remarkable build-up to a speech. It was even rumored on the best authority that government departments had been given a list of minimum staff to be maintained on that day. As a prelude to all this there appeared in the newspapers a statement that the Polish prime minister in London had accepted in full the Yalta proposals for Polish settlement. The very sky was not more clear of clouds than the international situation.

But with the abruptness of a summer thunderstorm came the announcement that the Thursday speech would not take place. Simultaneously there were chilling reminders from commanders in the field that the passing from organized to disorganized resistance in Germany did not mean the end.

In the midst of this came the tragic news of the death of Roosevelt, for which we were of course absolutely unprepared. It is true that in the newsreels of the Yalta conference there was a great change in the President's appearance—his face seemed drawn and pale nor was there the smile so characteristic of him. But we assumed the camera had been in an unpleasant mood or that the lighting was not propitious.

It is not too much to say that the death of Roosevelt caused grief and sorrow here which the passing of no other statesman but Churchill himself could have induced. It is also true that no man in these islands felt the loss more acutely than Churchill. So much depends upon these strong men of the Allied nations. Death of the President has left on Churchill's shoulders a burden heavier than ever. The world, however, is revolving too fast to pause for more than a minute even for the passing of one of its mightiest sons.

* * *

See No Election Until Fall Despite Bevin's Tory Blast

I mentioned recently the impetuous party speech of Ernest Bevin in which he denounced the Tories in every possible way. Swift reply came from Brendan Bracken, who, by curious chance, was speaking to the Conservatives of Holborn, a London borough in which Beaverbrook's son, Wing Commander Max Aitken is standing in the Tory interest. Bracken seized this opportunity to hit back at Bevin with a forcefulness which ignored any pretence to Marquess of Queensberry observances.

Next day the House of Commons met in an atmosphere of intense excitement. There were rumors that the coalition government would break up at once and that a general election was imminent.

But Churchill came into the House smiling broadly. He has been the principal figure in so many belligerent scenes that he seemd to enjoy the novelty of his position as benevolent referee. When challenged to reveal the attitude of the Government he said he saw no reason to take exception to any minister expressing purely party views providing he did not attack the Government itself, which he said would not be tolerated. This was regarded by many MP's as an extraordinary statement, equivalent to a judge in a divorce court saying that there could be nothing wrong in husband and wife publicly denouncing each other's character and morals providing they did not denounce the marriage itself.

It was not without humor to watch the relieved faces of the Socialists. The one thing they have dreaded is being forced to retire from the coalition government before the war with Germany is ended, thus incurring a charge that they quit before the day of victory. My own opinion is that this would not have injured them in the constituencies. But they are very sensitive on the point.

It is obvious to everyone that an election in June would be much more advantageous to the Tories than an election in October. In other words, the closer the date of the election to the day of victory, the greater the prestige of Winston Churchill. And, since such things cannot be left out it is also obvious that the death of Roosevelt has made it more imperative than ever that Churchill should be the man to represent Great Britain at the peace conference. We may regret that such matters should be mixed up with electoral considerations but politics cannot be divorced.

Churchill, however, seems determined not to take any tactical advantage which he can avoid. Now that he has postponed his great speech it looks as if a June election will not take place and, since July and August are ruled out because of the holidays and harvest, it would seem that Britain will not vote until late September or October.

* * *

Welsh Emlyn Williams Has Critics Agog Again

The London theatre is in a state of great controversy over Emlyn Williams' new play "Wind from Heaven." Emlyn Williams is the youngish Welshman who has made great successes as actor, playwright and producer. In the past he has been content with skilfully constructed plays intended to thrill or entertain. This time he has attempted a play on the Christ theme.

Williams takes a Welsh village at the period following the Crimean war. Returned soldiers are dying of Crimea plague and in this village no child has been born for eight years. But there is a small boy, son of a domestic servant, who moves among the villagers doing his errands. Often there is music in the skies when he approaches. He heals soldiers of the plague and brings one back from death. Then he himself dies of the plague. It is late at night and dawn is not far off. A circus proprietor who has believed in him expresses doubts. A cock crows three times in the distance.

Some critics declare it blasphemous, cheap, embarrassing, a commercialization of Christian faith. Others say that it reaches greatness, that it is uplifting and touched with beauty. I found it very moving. The mere fact that the boy never speaks in the play but is just seen moving about in his innocence stirs the heart deeply. A truly beautiful performance is that of the actress who plays the servant mother. I have no idea whether the play will run or not. The English believe in concealment of emotion whereas the Welsh delight in its expression. Perhaps we shall find in this "Wind from Heaven" that even the Englishman has loosened the moorings of his emotions in this war.

COMPANY REPORTS

Northern Empire

A decision to exercise an option on the Sand River Gold Mining Co. property and sale of company's holdings in Magnet Consolidated Gold Mines are outstanding features of the 1944 report of Northern Empire Mines Co.

With the exercise of the Sand River option, Undersill Gold Mining Co. has been formed to take over the property, with Northern Empire receiving 75% of its capital stock and $198,611 of its notes, payable out of operating profits, if any. Northern Empire is committed to sink the Sand River shaft through a 600-ft. diabase sill and to open two levels below the sill.

Company's holding of 1,806,295 shares of Magnet Consolidated were sold at 25 cents a share.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Invest. inc.	$35,067	$65,331
Total net earns.	35,067	65,331
Less: Taxes, etc.	†11,049	2,014
Add: Profit on secs...	48,668	418
Net profit	72,686	63,735
†Including $2,500 taxes.		
Less: Divd. paid	......	80,000
Surplus for year	72,686	*16,265
*Deficit.		
Earnings per Share ..	$0.18	$0.16
Paid	nil	0.20

CONDENSED BALANCE SHEET

As at Dec. 31:	1944	1943
Cash	$ 378,282	$ 82,516
Dom. of Can. bonds..	100,000	250,000
Accts. rec.	6,607	8,070
Secs. at cost*	557,246	184,125
Mat. & supplies	......	12,550
Total curr. assets...	1,042,135	537,261
Def. chgs., etc.	......	123
Magnet Consol. shs...	......	434,353
Sand River notes	......	180,000
Undersill Gold	180,000	......
Hydro deposit	9,028	13,543
Other shares	22,118	22,118
Claims & props.	3,850	3,850
Plant & equip.■	19,125	10,790
Total assets	1,276,256	1,202,038
Total curr. liab. ...	4,557	2,950
Capital stock	400,000	400,000
Capital surplus	542,250	542,250
Earned surplus	329,449	256,833
*Market surplus ...	524,450	161,120
■After $4,216 in 1944, $11,024 in 1943, realized on buildings and equipment.		
Working capital†	1,037,578	534,311
†Taking securities at book value.		

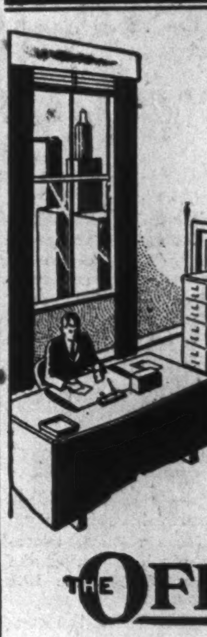
Renabie Mines

Renabie Mines has completed contracts with suppliers for manufacture of certain machinery that would be necessary immediately upon resumption of operations, Robt. A. Bryce, president, reports. A hoist, compressor and pumps will be manufactured as soon as materials are released to suppliers for civilian requirements. The property is to be surveyed this year to enable securing of patents.

Production is planned with a 300-ton mill, it is understood.

Current assets as at Dec. 31, 1944, totalled $7,398 as against current liabilities $60,341, including advances from Macassa Mines of $60,341, excluding accrued interest on advances. Cash expenditures during 1944, amounted to $6,291.

BOOST BOND BUYING



Criterion of Good Management

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Banks Report Business More Active In Latin America and West Indies

Increasing foreign business of the Canadian chartered banks, indicated in recent monthly bank statements, is attributed mainly to more active business in the West Indies and South America. These areas normally provide a large share of the banks' foreign business and in recent years, under the war demand for all sorts of commodities produced there the condition has become accentuated.

Estimates that Latin American countries have established credits of over $3 billions in the United States indicate a large postwar purchasing power pointing to continued active demand for bank services.

Other areas outside Canada where the banks do important business are the United States and the United Kingdom. According to the latest bank directory, distribution of the Canadian bank branches outside Canada is as follows: Great Britain eight, United States 12, Cuba, West Indies and Latin America 86.

Before the War

Before the war certain of the banks had offices in Spain and France. The one in Spain was closed after the revolution. Those in France have operated during the occupation but no reports have been released as to the experience since 1940 when the Nazis occupied the country. Return to normal conditions is slow but it is understood some business is being done with France and other liberated countries—largely of a personal nature, mostly involving money sent from people in Canada to relatives or friends in Europe. Little or no regular business is being done as yet it is stated.

Because in the bank statements, the business in the different areas is not segregated but is grouped together usually under general headings, it is impossible to say what proportion of the total business is done in any particular field. Generally, however, New York is looked on as the big market for call loans, other activities of the banks being distributed among the different territories where they operate. A large volume of ordinary commercial loan business is done in the West Indies and Latin America where business is subject to seasonal conditions much as in Canada. Thus a large coffee crop in Brazil or a large sugar crop in Cuba is reflected in the loans in those areas.

Separate Business

The foreign business of the banks is to quite an extent carried on separately from that in Canada. In some instances foreign branches are operated much as if they were practically another bank. About one-seventh of the total business of all the banks is carried on in other countries.

The accompanying table shows how the important items in the banks' foreign business on Feb. 28, the latest date for which figures are available, compares with last year and the same date in 1939 before the war started. It will be noted that while call loans are higher than before the war, current loans are lower, the total also being down. This decline is attributed to decreased business in the United Kingdom and France offsetting the increases elsewhere. On the other hand, total deposits are substantially higher.

	—February 28—		
	1945	1944	1939
	Millions of dollars		
Call loans	85.0	107.0	54.4
Current loans	123.7	101.9	144.9
Due by for. banks	250.5	207.7	172.4
For. currency held	95.8	84.3	29.8
Pub. for. securities	208.0	201.7	73.9
Deposits	755.4	653.7	432.3
Due banks U. K.	36.9	32.7	10.6
Due other banks	54.5	54.8	44.7

Before the war foreign exchange transactions were an important part of the banks' foreign business, and an important source of revenue. Formation of the Foreign Exchange Control Board resulted in the banks becoming agents of the board, working on a commission of one-eighth of one percent. While this in some ways has restricted profit from foreign exchange it has also protected the banks against loss.

Generally, however, the banks' foreign business in recent months has been described as quite satisfactory from the standpoint of profits.

COMPANY REPORTS

Dom. Woollens & Worsteds

Labor shortages at all plants of Dominion Woollens & Worsteds Ltd., again reduced the dollar value of production during 1944. Forty per cent. of the total production has been for the armed forces and sixty per cent. for the civilian trade. Inventories again show a substantial decline from the previous year.

In Feb., 1944, the $770,100 outstanding 6% bonds, due 1953, were redeemed through the issue of $700,000 of 3%, 3½% and 4% first mortgage serial bonds, maturing 1945-1954.

In June 1944, the 6% non-cumulative, non-callable participating preferred shares were exchanged for an equal par value of 5% debentures and certain subscription rights to common shares, upon the exercise of which 61,698 shares of common stock were issued at $1.00 a share.

The financial statements are subject to substantial adjustments of various kinds on account of current and prior year transactions upon completion of negotiations with the Department of National Revenue and of Munitions and Supply and the War Contracts Depreciation Board. It is not expected that the net effect of these adjustments will be to reduce the amount of earned surplus as shown on the accompanying balance sheet, John W. Hobbs, chairman, states.

INCOME ACCOUNT

Years Ended Dec. 31:	1944	1943
Net earnings	$572,127	$590,928
Less: Deprec.	87,000	150,000
Bond interest	108,101	55,566
Income tax	152,000	236,000
Loss on sec. sold	1,198	1,975
Net profit	223,828	147,387
Less: Pref. div.	......	38,106
Com. div.	73,642	......
Surplus for year	150,186	109,281

Note: No refundable portion of excess profits tax has been set up in the company's accounts.

Times Bond Interest Earned:		
Before deprec.	3.76	10.63
After deprec.	3.19	7.94
Earnings per Share and Dividend Record:		
Pref.: Earned*	......	‡$2.32
Paid	......	0.60
Common: Earned	1.52	▴0.48
Paid	0.50	nil

‡Before (▴after) participation.
*In 1944, exchanged for 5% debentures and subscription rights to common shares.

CONDENSED BALANCE SHEET

As at Dec. 31:	1944	1943
Cash & Dom. bonds	$477,399	$408,173
Accts. rec.	376,277	469,600
Inventories	1,138,314	1,437,691
Total curr. assets	1,991,990	2,315,464
Invest. own bds.	......	117,865
Misc. assets	9,056	13,849
Fixed assets*	2,009,867	2,033,321
Total assets	4,010,913	4,480,499
Total curr. liab.	473,095	826,178
Funded debt	1,920,200	905,300
Bd. debts	51,351	51,351
Cont. res.	200,000	200,000
Capital stock	917,548	2,126,050
Capital surplus	......	51,113
Earned surplus	448,719	320,507
*After depr. of	1,842,790	1,784,081
Working capital	1,518,895	1,489,286

International Utilities

As of July 1, 1944, the plan of recapitalization and merger of Dominion Gas & Electric Co., a subsidiary, into International Utilities Corp., was consummated and the accounts have been restated accordingly. On Mar. 29, 1945, General Water, Gas & Electric Co. sold its interest in the California subsidiaries for $6,700,792 in cash, which compares with their $6,554,798 value on the books of General Water, Gas & Electric Co. The amount realized by General for its equities exceeded by over $1 million the value ascribed thereto by International Utilities Corp. as of Dec. 31, 1942. No conclusion has yet been reached as to the future course of action of General Water, Gas & Electric.

In 1944 General Water, Gas & Electric Co. sold its investment in Boise Water Corp. for $900,000 and contracted for sale of its equity in Rochland Gas Co. for a base consideration of $635,000. A subsidiary, Winchester Water Works Co., has agreed to sell its physical properties out of the proceeds of which General Gas expects to receive about $250,000 for its investment.

In 1944, International Utilities sold its investment in 100,000 shares of The Lehigh Coal & Navigation Co. at an average net price of $11.34 a share. In addition certain investments, including those in National Food Products Corp., were sold for $674,707. On Mar. 19, 1945, 30,000 shares of its $3.50 preferred stock were redeemed at a cost of $1,575,000, reducing the outstanding issue as of this date to $62,792 shares.

The improvement in the company's net income in 1944 was brought about by the retirement of the Dominion Gas & Electric Co. bonds, the payment by General Water, Gas & Electric Co. of a dividend on its comman stock at the rate of 80c. a share and a further reduction in operating expenses, the report states.

Operating revenues of Canadian subsidiaries were $6,169,379 in 1944 as against $5,941,600 in 1943. The management of the corporation and its Canadian subsidiaries are carefully considering the possibilities of refinancing the senior securities of the Canadian subsidiaries and it is hoped that some definite action in that direction may be taken before the end of 1945.

CONSOLIDATED INCOME ACCOUNT

Years Ended Dec. 31:	1944	▪1943
Net earnings	$3,635,570	$3,679,346
Less: Amort. & depr.	540,490	586,270
Interest (subs.)	394,286	924,185
Subs. pref. divs.	459,868	......
Other interest	29,469	......
Subs. disc. & exp.	21,926	......
Income taxes▴	1,100,927	1,154,821
Minority int.	72,547	65,567
Net profit‡	1,016,057	948,503
Less dividends:		
$3.50 prior pref.	326,648	......
Common	260,803	......
Surplus for year‡	428,606	......
▴Incl. ref. EPT	50,000	68,000

▪Pro forma, predicated on 1943 operations, after giving effect to reorganization.
‡Note: Co. includes refund. EPT in net profit and surplus.

Earnings* per Share and Dividend Record‡:		
$3.50 pr. pref.:		
Excl. ref. EPT	$11.46	$10.38
Incl. ref. EPT	12.00	11.09
Paid	3.50	3.50
Common (new):		
Excl. ref. EPT	2.82	2.48
Incl. ref. EPT	3.01	2.74
Paid	1.00	......

*Based on net profits as above, plus $47,854 in 1944 and $36,128 in 1943 pro forma, undistributed income of California Water Service Co. (an unconsolidated subsidiary).

CONDENSED CONS.♦ BALANCE SHEET

As at Dec. 31:	1944	1943
Cash & govt. bonds	$4,906,998	$5,136,398
Accts. & inc. rec.	739,192	788,433
Marketable secs.▪	......	182,747
Inventories	486,485	508,161
Total curr. assets	6,132,675	6,615,739
Misc. assets▴	627,015	1,053,701
Invest. in subsids.	4,333,260	3,729,500
Other investments	1,113,347	2,100,731
Fixed assets▴	23,623,962	28,548,105
Total assets	35,830,259	42,047,776
Loans & debt. pay'ts.	42,342	259,404
Prov. for recap., etc.	134,325	......
Accts., taxes, etc.	1,516,867	1,793,275
Total curr. liab.	1,693,534	2,052,679
Funded debt	9,176,040	12,827,541
Min. int. in subs.	9,066,673	9,681,669
Res. from consolid.	974,341	......
Other liabs.	811,845	953,013
Capital stock	8,575,829	10,364,135
Earned surplus♦	1,796,614	2,804,669
Capital surplus	3,735,383	3,364,070
▴After depr., etc.	9,900,034	12,053,245
▪Market value	......	201,623
♦Incl. refund. EPT	130,175	79,893

♦Current accts. of Canadian subsids. converted at $1.11 Candn. to $1 U. S.; other assets dollar for dollar.

Working capital	4,439,141	4,563,060

United Securities Ltd.

The income for United Securities Ltd. for the year ended March 31, 1945, has been adversely affected by the deferment of the dividend for the second half of the year 1944 on the common shares of The Canadian Light & Power Co., and also by a substantial reduction in the income received from its holdings in Montreal, Light, Heat & Power Consol., Jas. Wilson, president, states.

INCOME AND SURPLUS ACCOUNT

Years Ended Mar. 31:	1945	1944
Total revenue	$78,315	$94,269
Less: Expenses	2,237	1,143
Bond interest	100,545	100,545
Exchange	1,816	1,623
Deficit for year	26,283	9,042
Times Bond Interest (and Exch.) Earned.	0.74	0.91
Earnings per Share and Dividend Record:		
Com.: Earned	d$0.51	d$0.18
None paid.		

CONDENSED BALANCE SHEET

As at Mar. 31:	1945	1944
Cash	$134,350	$124,985
Investments†	8,310,125	8,339,629
Miscel.	17,501	23,365
Deficit	60,036	34,028
Total assets	8,522,012	8,522,007
Funded debt	3,351,500	3,351,500
Other liabs.	44,339	44,334
Capital stock	5,126,173	5,126,173
†Market value	2,584,187	2,582,779

Gain Recorded In Bank Debits

Increase in Total Attributed to Great Economic Activity, Higher Prices

Canadians in March, cashed cheques amounting to $5.3 billions, an increase of 11.6% over the same month last year. Gains were shown in all economic areas except the Prairies, as follows: Maritimes 8.8%; Quebec 13.6%; Ontario 19.6%; and British Columbia 11.2%. The Prairies showed a decline of 13%.

Heightened economic activity and higher prices were the main influences responsible for the increases.

Figures for the various clearing house centres with comparisons follow:

Debits to Individual Accounts
(Millions of $)

	Mar. 1945	Mar. 1944	Feb. 1945
Maritimes:			
Halifax	59.1	53.7	52.0
Moncton	19.9	18.2	17.8
Saint John	32.8	30.8	29.5
Total	111.8	102.7	99.3
Quebec:			
Montreal	1,366.9	1,168.7	1,193.8
Quebec	136.7	154.7	106.4
Sherbrooke	12.5	11.2	11.2
Total	1,516.1	1,334.6	1,311.4
Ontario:			
Brantford	18.7	18.9	17.4
Chatham	15.6	11.1	15.0
Fort William	13.1	11.0	11.6
Hamilton	105.9	122.2	113.7
Kingston	12.6	14.9	11.1
Kitchener	23.0	23.0	20.8
London	60.8	48.6	44.1
Ottawa	804.0	712.1	444.6
Peterborough	12.7	12.3	11.3
St. Catharines	20.5	18.7	17.1
Sarnia	17.7	14.0	15.1
Sudbury	9.4	8.9	7.9
Toronto	1,477.7	1.130.6	1,249.0
Windsor	80.8	88.3	69.9
Total	2,672.5	2,234.6	2,048.6
Prairie Provinces:			
Brandon	6.7	6.9	5.7
Calgary	104.8	114.3	103.5
Edmonton	83.6	90.5	88.2
Lethbridge	8.9	8.8	7.6
Medicine Hat	4.9	4.9	4.2
Moose Jaw	13.8	11.7	12.5
Prince Albert	6.8	6.7	6.0
Regina	70.7	68.6	75.7
Winnipeg	379.6	474.2	361.4
Saskatoon	22.8	21.5	19.5
Total	702.6	808.1	684.3
British Columbia:			
New W'minster.	16.5	14.1	13.5
Vancouver	267.0	241.9	234.9
Victoria	42.3	37.4	41.5
Total	325.8	293.4	289.9
Total Canada	5,228.8	4,773.4	4,433.5

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BANK OF CANADA

Small Decline In Note Issue

Note circulation of the Bank of Canada shows a small decline in the bank's statement for the week ended April 18, interrupting a rise evident for several weeks previous. Total deposits and miscellaneous liabilities also were lower.

Holdings of investments and sterling and U. S. exchange were both up, but miscellaneous assets were substantially lower, resulting in a net decline of about $2 millions in total assets.

The statement with comparisons follows:

	Apr. 18 1945 $	Apr. 11 1945 $
Liabilities		
Notes in circ.	1,056,663,297	1,056,827,968
Capital paid-up	5,000,000	5,000,000
Rest fund	10,050,367	10,050,367
Deposits: Dom.	32,389,045	45,176,113
Chartered bks.	441,245,957	424,647,343
Other	43,209,134	47,889,001
Total deposits	516,844,136	517,710,457
Liabs. payable in sterling, U.S.A. and For. Gold currencies	174,072,293	174,072,273
All other liabs.	12,092,763	13,102,911
Total liabs	1,774,722,838	1,776,763,976
Assets		
Sterl. & U.S. ex.	182,322,273	179,572,273
Subsid. coin	469,826	483,683
Investments:		
Dom. gov. sh.	939,445,128	942,945,798
Oth. Dom. gov.	626,565,143	619,297,489
Other secs.	10,000,000	10,000,000
Total invest.	1,576,010,271	1,572,243,287
Premises	1,825,396	1,824,990
All other assets	14,095,072	22,639,743
Total assets	1,774,722,838	1,776,763,976

Rooosevelt Insurance Endows Foundation

The Georgia Warm Springs Foundation is beneficiary of $560,000 life insurance on the late President Franklin D. Roosevelt. The insurance was carried by twelve companies including the Canada Life, the only Canadian company represented.

The insurance was arranged by Keith Morgan, a Foundation vice-president and close friend of Mr. Roosevelt's, as a means of endowing the foundation. The premiums were paid by a group interested in the success of the institution.

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OH YES! JOE'S BUYING ALL HE CAN... BUT I ALWAYS DO, TOO!
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NOT A BIT OF IT—EVERYBODY SHOULD BUY BONDS!
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YOU'LL BE GLAD LOIS, WHEN YOU SEE THE NEW STYLES... AFTER THE WAR—AND YOU'RE HELPING DEFEAT INFLATION NOW!

SAVE YOUR DOLLARS!

Buying Bonds is so *easy* a way to do our share, even when it does mean *temporary* self-sacrifice. When we do without that new dress or new suit NOW we are only securing for ourselves a better one when the war is over. Use the money to buy an *extra* Bond this time.

JOHN LABATT LIMITED
London Canada

THE WEEK'S QUOTATIONS

Quotations here listed are the official stock exchange prices for listed stocks, including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING APRIL 23

Montreal and Toronto

Week ending Monday close

Winnipeg and Vancouver

Week ending Saturday close

Mining Stocks

Oil Stocks

*Paid in 1944. * N.Y. Funds. † Paid or payable in 1945. x Extra.

Volume of Stock Sales

	Montreal	Toronto	Vancouver
Apr. 24	440,600	3,677,000	......
Apr. 23	420,500	3,508,000	......
Apr. 21	......	......	......
Apr. 20	193,400	2,339,000	......
Apr. 19	198,500	1,953,000	......
Apr. 18	257,800	2,842,000	225,560

Government Bonds

Apr. 24, 1945 (Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Ask.
Victory Loans:			
3	June 1951	104¾	105¾
3	Mar. 1954	103¾	104¼
3	Nov. 1956	102	102¾
3	May 1957	101	101¾
3	Jan. 1959	100¼	101
3	June 1960	99¾	100¾
3	Feb. 1962	99¾	100½
2	Dec. 1946	100¾	101¼
2½	Mar. 1948	101½	102
1¾	May 1946	100¼	101
1¾	Nov. 1946	100¼	101
1¾	May 1947	100¼	101
1¾	Mar. 1948	100¼	100¾
1¾	Nov. 1948	100	100¾
Dom. of Canada Bonds			
3½	June 1949	101¾	102½
3½	Nov. 1951	104¼	105
4	Oct. 1952	105¾	105¾
3½	Feb. 1952	105½	106
3	Oct. 1952	103¾	103¾
3	June 1955	102½	102¾
4½	Nov. 1956	104½	104¾
4½	Nov. 1957	106½	106¾
3	June 1958	100¾	101¾
4½	Nov. 1958	107¾	108½
4½	Nov. 1959	109¾	110
3½	June 1966	103	103¾
3	Perpetual	96½	97¾
Dom. Guarant'd Bonds			
Can. Natl. Railways:			
3	Dec. 1950	100¾	101¾
3	Jan. 1959	99¾	100¼
4½	Sept. 1951	125¾	...
4½	Feb. 1956	131	...
4½	July 1957	132¼	...
3	Feb. 1953	102¼	103
4¾	June 1955	132¾	...
5	Feb. 1954	116¾	118½
5	Oct. 1969	128½	...
5	Feb. 1970	128¾	...
Can. Natl. W. Ind. S.S.:			
5	Mar. 1955	128½	...
Grand Trunk Pacific Rly.:			
3	Jan. 1962	114	116
4	Jan. 1962	127½	129½
Provincial Govt. Bonds			
New Brunswick:			
4	Nov. 1947	110¾	112¾
3	Oct. 1951	98½	100¼
3½	Aug. 1949	99¾	101¼
3½	June 1950	100¾	102¾
4½	Apr. 1961	124	127
5	Jan. 1960	127	129½
Nova Scotia:			
3	Jan. 1952	99¾	101¼
3½	June 1956	100¾	102¾
3½	Nov. 1950	102¾	104¾
4½	Sept. 1952	116	118½
4½	Nov. 1960	128	131
5	Mar. 1960	132	135
Ontario:			
2½	May 1945	99¾	100¾
3	Apr. 1948	100¼	102
3	Nov. 1950	101½	103
3½	Nov. 1951	102½	104
3½	May 1955	102½	104
4	June 1962	126½	128½
4½	June 1950	109½	110¾
4½	Jan. 1962	133	135
5	Oct. 1948	108½	110¼
5	Dec. 1960	137½	140
5½	July 1946	103½	104¾
Ont. Hydro Commission:			
3	Aug. 1943	100¼	102½
3½	Feb. 1953	102½	104
3½	Apr. 1947	102½	103¾
Prince Edward Island:			
4	Mar. 1954	103	105
Quebec:			
3	Nov. 1947	100	102
3½	Mar. 1948	101	102½
3½	Mar. 1959	102	103½
4	Nov. 1952	104	105½
3¾	Feb. 1955	103	104½
4½	Aug. 1958	109½	111½
4½	Jan. 1963	114½	116¾
Alberta:			
4½	Oct. 1956	103	106
4	Dec. 1954	96	99
5	Oct. 1959	104	107
5½	Apr. 1952	104½	107½
6	Mar. 1947	99½	102½
British Columbia:			
4	Dec. 1957	121	123
4½	Jan. 1951	121½	123½
4½	Oct. 1953	122½	124½
5	Apr. 1954	126½	128½
6	Feb. 1947	104½	106½
Manitoba:			
4	Dec. 1957	118	120
4½	Dec. 1956	122½	124½
5	Dec. 1955	128½	130½
5½	Oct. 1955	116½	119½
6	Apr. 1947	103½	106½
Saskatchewan:			
4	Sept. 1954	85½	88½
4	Nov. 1960	84½	87½
4½	Oct. 1951	99½	102½
4½	Mar. 1960	93½	96½
5	Aug. 1956	90½	94½
5½	Oct. 1952	96	99
6	Mar. 1953	98	101

Unlisted Stocks

(Compiled from quotations provided by Plaxton, McDonnell & Co., Kamm, Garland Co., Ltd., and Kippen & Co. Inc.
April 23, 1945

	Bid	Asked
Allens Toronto Units	36.00	....
Anglo Can. Telephone A	9.75	10.75
Atlas Steels com.	35.00	37.00
Atlas Steels 1st pfd.	107.00	109.00
British Mortgage & Trust	140.00	....
B. C. Sugar	87.00	91.00
Canada Machinery com.	8.50	9.50
Canada Paving 1st pfd.	3.50	5.50
Canadian Airways	3.50	....
Canadian Fairbanks com.	27.00	....
Can. Ingersoll Rand	62.00	65.00
Can. Investors Corp.	6.75	7.75
Canadian Motor Lamp A	8.50	9.50
Can. Western Lumber com.	1.50	2.00
Can. West. Nat. Gas pfd.	106.00	....
Capital Trust Co. $100 par	47.00	....
Capital Wire Cloth com.	6.00	8.00
Capital Wire Cloth pfd.	21.50	....
Cawthra Apts. units	3.50	5.00
Chase, A. W., units	26.00	30.00
Colonial Steamships com.	77.00	82.00
Commercial Finance com.	8.00	....
Commercial Life 10% paid	7.00	9.00
Commonwealth Inter. Corp.	3.21	3.49
Confederation Life Assoc.	130.00	140.00
Continental Life 20% pfd.	32.00	35.00
Crown Trust Co.	70.00	....
Detroit Internat. Bridge	16.00	18.00
Dover Industries Ltd.	7.25	8.25
Dunlop Tire pfd.	25.50	27.00
Eastern Steel Prod. pfd.	22.00	23.50
Empire Life Ins. 25% paid	15.00	17.50
Federal Foundries & Steel Co., new com.	2.75	3.50
Foreign Power Sec. pfd.	16.00	18.00
Galt Brass com.	18.00	....
Goderich Elevator & Tr.	13.00	14.50
Great Lakes Power pfd.	114.00	116.50
Great West Life	305.00	325.00
Guardian Realty pfd.	26.00	....
Guaranty Co. of N. A.	200.00	....
Guelph and Ont. Svgs., $50	51.00	55.00
Gurney Foundry pfd.	2.25	3.00
Hart Battery com.	6.00	7.50
Inter. Utilities $3.50 pfd.	56.00	60.00
Lambton Loan & Inv. $50	47.50	....
Loblaw Groc. Inc.	14.25	15.25
London & West. Trust $100	51.00	....
Manufacturers Life Ins.	250.00	265.00
Midland Loan & Svgs. $10	14.00	17.00
Monarch Life Assce. 20%	46.50	....
Monarch Mtge. units	2.25	3.25
Montreal Island Power pfd.	38.00	42.00
Montreal Trust Co.	73.00	....
Morrison Brass com.	3.00	4.00
Naitonal Drug & chem. c.	4.75	6.00
National Hosiery pfd.	3.50	4.50
National Hosiery com.	2.75	4.50
New Brunswick Tele.	12.00	15.00
Ont. Tobacco Plant units	18.00	22.00
Paramount Kitchener units	53.50	....
Provincial Bank of Canada	11.50	12.50
Provincial Paper pfd.	107.00	109.50
Prudential Trust	4.00	....
Ruddy, E. L., pfd.	145.00	....
St. John Drydock pfd.	89.00	....
Sawyer Massey com.	1.10	2.00
Seiberling Rubber com.	4.50	....
Sincennes McNaughton T.	2.00	2.75
Sherbrooke Trust	130.00	....
Sovereign Life Assc e. 25%	26.50	30.00
Standard Fuel pfd.	91.50	....
Standard Fuel com.	1.75	....
Sterling Trust	82.00	....
Sun Life Assce.	375.00	390.00
Third Can. Gen. Inv.	3.25	4.00
Toronto Carpet pfd.	92.00	....
Toronto General Ins.	5.50	7.00
Trusts & Guarantee $100	68.00	72.00
United Farmers Co-op	3.00	4.00
United Steel A pfd.	25.50	27.00
Victoria Trust & Svgs.	93.00	....
Waterloo Mfg. com.	6.00	7.00
Wentworth Radio com.	3.00	....
Western Assurance com.	53.00	56.00
Western Grain com.	.75	1.25
Western Grain pfd.	29.00	32.00
York Trading com.	5.00	6.75

Unlisted Mines

Approximate quotations, 4 p.m., April 23, subject to confirmation:

	Bid	Ask
Advance	.25	.28
Alba River (new)	.38	.41
Alcan	.12	.14
Aljo	.05	.06
Amal Kir	.25	.28
Ama Lar	1.28	1.33
Ang Rou	.92	.97
Anna'que	.08	.10
Anoki	.11	.13
Apex Oil	.12	.14
Argonaut	.25	.28
Arntfield (old)	.07	.08
Arntfield (new)	.38	.41
Audley	.10½	.12
Aurora Y	.28	.31
Auterra	.07½	.09
Bar Larder (new)	.06	.08
Bevcourt	1.10	1.20
Blondor	.18	.21
Blue Gras	.13	.15
Bravo	.17	.20
Brig R L	.08	.10
Brock	.13	.15
Burley Po	.04½	.05½
Calder Bo	.15	.17
Camlaren	.17	.20
Camp R L	.81	.84
Carricona	.08	.10
Cen Mani	.07	.09
Citralam	.30	.33
Cock R L	.06	.07
Columbier	.29	.32
Con Chib	.33	.37
Crow Pat	.43	.46
Derlak	.08	.10
De Santis (new)	.10	.12
Dickenson	.41	.44
Dom Mal	.12	.14
Dona Pat	.07¾	.09
East Amp	.36	.39
Eastward	.28	.32
Electra	.14½	.16
Erin Kirk	.10	.12
Goldora	.38	.42
Goodrock	.07½	.09
Harp Mal	.13	.15
Hayes Cd	.07¾	.08½
Head R L	.17	.20
Highridge	.14	.16
Hoyle	.23	.26
Hugh Mal	.17	.20
Hugh P P	.17	.20
Kamlac	.60	.65
Kayrand	.39	.42
Kenda Pe	.65	.75
Laguerre	.23	.26
Lk Expa	.26	.29
Lapaska	.27	.30
Lar-Add	.07	.09
Larder U	.06	.08
Lavalie	.15	.17
Legardo	.06	.07
Lynx	.64	.67
Magn Con	.44	.48
Major Oil	.15	.18
Manterre	.14	.17
Marbenor	.35	.37
Marquette	.07	.08
Mar Bird	.13	.15
Mar-McNe	.22	.24
Mary Ann	.10½	.13
Marlon R	.29	.32
Mat Con	.24	.27
Mate Yell	.26	.29
Metalore	.05	.07
Mic of Cn	.07	.09
Moffatt H (new)	.05	.06
Mohawk P	.06	.08
Murbell	.09	.10
Murmac	.16	.18
Mylamaque (new)	.20	.23
McCu R L	.12	.14
McManus	.13	.15
Nat Mal	.45	.48
New Aug	.30	.33
Nib Yell	.30	.33
Nicholson	.10	.12
Nick-Off	2.75	..
New Maj	.11	.14
Norbeau	.70	.80
Norford	.14	.16
Norseman	.11	.13
Nortyne	.05	.07
Novelle P	.18	.21
Obalski	.14	.17
Obaska	.55	.60
Oklend	.10	.12
Olivet	.05½	.07
Opemiska	.21	.24
Orpit	.13	.15
Ortona	.34	.37
Parbec	.21	.23
Pascalis	.47	.50
Pelangio	.12	.14
Poona Gld	.07½	.09
Presdor	.06	.07
Privateer	.39	.42
Que Man	.55	.60
Rajah R L	.08½	.10
Rambull	.06	.08
Rand Mal	.30	.32
Raymond	.15	.17
Rebair	.60	.62
Redwood	.10½	.12
Regcourt	.65	.75
Rich Grp	.48	.52
Ritoria	.11	.13
S.A.G.A.	1.00	1.10
Santiago	.37	.40
Sheldon	.30	.33
Skynner L	.04	.05
Stadacona	.77	.82
Sun Bear	.13	.15
Tiffany	.14	.17
Tobico	.04	.05
Tombill	.22	.24
Tovarich	.03½	.04½
Union Min	.21	.23
Virginia	.53	.57
Wesley	.05	.06
West Red	.19	.21
West Shore	.08	.10
Wilwood	.13	.15
Winches	.10	.13
Wingait	.36	.39
Yellowrex	.50	.55
Y David	.31	.34

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 10	Pulp and paper 7	Milling 4	Oils 4	Textiles and clothing 10	Food and allied prod. 13	Beverages 8	Bldg. mater. 16	Power and traction 14	Banks 8	Total utilities 18	Total co's. 100
(Base 1935 39=100)												
*1935 to date:												
High	134.5	234.5	149.7	123.7	136.9	118.3	198.6	153.4	146.8	118.2	145.0	134.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	68.7	60.2	69.0	65.2	61.1
1945: Monthly Figures												
Jan.	120.7	149.8	108.7	74.8	135.5	105.8	175.5	102.4	99.3	90.0	107.7	89.4
Feb.	122.8	154.0	108.4	77.9	136.2	106.8	184.9	103.0	100.9	89.5	111.6	92.9
1945: Weekly Figures:												
Mar. 1	124.2	158.5	109.7	79.6	136.9	107.5	184.1	103.7	103.6	89.3	113.9	94.7
Mar. 8	123.8	154.3	104.2	80.6	136.7	107.4	183.3	103.5	102.0	90.0	111.6	94.6
Mar. 15	124.8	155.3	103.4	80.8	136.7	106.5	184.5	103.3	101.5	90.2	111.4	94.4
Mar. 22	122.5	151.4	101.8	78.0	135.9	105.4	182.1	102.0	99.0	90.1	108.8	92.1
Mar. 29	121.2	148.5	100.3	76.9	135.7	105.5	178.1	101.4	100.2	89.6	109.8	91.9
Apr. 5	122.2	145.5	101.8	76.8	135.3	106.0	180.6	102.7	100.6	88.4	110.2	91.8
Apr. 12	123.1	149.4	106.2	77.3	135.7	107.3	185.1	103.8	101.1	90.0	110.7	93.2
Apr. 19	123.5	147.7	107.4	78.5	136.3	108.1	198.6	103.9	101.5	90.3	112.1	96.1

*High and low for years from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Apr. 24	140.02	119.58	80.20	28.79
Apr. 23	139.15	119.12	80.31	28.89
Apr. 21	.....	.....	....	....
Apr. 20	138.28	118.61	80.30	28.82
Apr. 29	138.60	118.45	80.77	29.01
Apr. 18	138.26	118.89	81.01	29.14
Month ago	137.45	117.59	77.44	29.77
Year ago	118.68	101.34	69.12	28.24
High 1945	140.02	122.39	81.14	30.38
Low 1945	131.95	107.98	72.49	26.35

Montreal Stock Exchange Average

	10 Util.	20 Ind.	30 Chd.	10 Pprs.	15 Golds
Apr. 24	61.4	95.1	83.9	193.39	87.42
Apr. 23	61.3	95.0	83.8	192.23	88.29
Apr. 21	...	...	...	.....	....
Apr. 20	60.9	94.7	83.4	191.50	87.39
Apr. 19	61.4	94.7	83.6	192.05	87.75
Apr. 18	61.3	94.8	83.6	191.27	87.82
Month ago	59.5	92.6	81.5	185.29	85.39
Year ago	52.6	75.1	67.6	121.52	74.63
High 1945	61.5	97.3	85.3	202.49	91.11
Low 1945	58.8	92.5	81.0	178.99	76.12

Wheat Prices

Winnipeg Grain Futures

Week of Apr. 24, 1945

Crop year from Aug. 1, 1944 High	Low		High for week	Low for week	Close Apr. 24
		Oats*			
.51½	.51½	May	.51½	.51½	.51½
		Barley*			
.64¾	.64¾	May	.64¾	.64¾	.64¾
		Rye			
1.51¼	1.10	May	1.51¼	1.44⅞	1.49⅛
1.46¾	1.01⅝	July	1.46¾	1.39⅛	1.45⅜
1.30⅜	1.04⅞	Oct.	1.30⅛	1.24½	1.29⅜

*At ceiling.

Cash Quotations

For Week

	Apr. 24 High	Apr. 24 Low	Prev. Week High	Prev. Week Low
Oats*				
2 C. W.	.51½	.51¼	.51½	.51½
3 C. W.	.51½	.51¼	.51½	.51½
Barley*				
1 Feed	.64¾	.64¾	.64¾	.64¾
2 Feed	.64¾	.64¾	.64¾	.64¾
Rye				
2 C. W.	1.49½	1.45½	1.48½	1.41⅝

*At ceiling.

STOCKS NOT TRADED THIS WEEK

Mining Stocks

	Div. rate $	Last sale	Apr. 23 Bid	Apr. 23 Ask
Brazil Gold	...	.03½	..	..
Camp Bird	...	.04	..	..
George Copper	...	.20	.23	.30
Giant Y'fe A Rts.	...	.19	..	..
Great Falls M.	...	.03	.01½	..
Home Gold	...	.00¾	..	..
Indian Mines	...	.02¾	..	..
Int. Mining	...	4.75	..	..
Island Lake	...	.02½	.02¾	.03
Kerr Lake	...	.27	.31	..
Kootenay Belle	...	.24	.24½	.27
Lingman Lake	...	.45	..	..
McGillivray C.	...	.23	..	.20
McVittie Graham.	...	.23	..	..
Mentor Explor.	...	.60	1.50	1.75
Moffatt Hall	...	.08	..	..
Pacific Nickel	...	.13	.14	.17
St. Anthony	...	.06½	..	..
Sudbury Basin	...	4.35	..	..
Sunlock	...	.15	.15	..
Wendigo	...	.30	..	..
Winnipeg R. Tin	...	.01	.00½	.01½

Oil Stocks

	Div. rate $	Last sale	Apr. 23 Bid	Apr. 23 Ask
Alta. Pac. Cons.	...	.14½	.14½	.18
Brown Oil	...	.11	..	.12
Grease Creek	...	.02½	.01	..
Madison	...	.02	..	..
Mill City	...	.08½	.08	.08½
National Petrol.	...	.11	.11	.14
South West Pete	...	.25	..	..
Sunset	†.01	.07	.07	..
Texas Can.	...	1.30	1.25	1.30
Trans. Alta.	...	.12	..	..

†Paid or payable in 1945.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$11.83	$11.85	$11.64
Hogs	17.45	17.45	17.20
Copper, lb.	*.12	.12	.12
Sugar, raw, lb.	*.0374	.0374	.0374
Coffee, lb.	*.09⅜	.09⅜	.09⅜
Hides	*.15½	.15½	.15½
Weekly Indices			
U. S. Labor	105.0	105.1	103.8
Dow Jones	95.16	96.20	97.05
Fishers	115.0	114.8	113.0
Monthly Indices			
Canada (D.B.S.):			
Retail (Jan.)	118.6	118.5	119.0
W'sale (Jan.)	102.8	102.5	102.5
U. S. (Feb.)	105.2	104.9	103.6
Gr. Brit. (Jan.)	167.2	167.2	164.0

Note—The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good over 1,050 lb., top price, Toronto. Copper - electrolytic. New York. No. 7 coffee, Rio Sugar 96 degrees centrifugal c/f New York.

*Ceiling prices fixed by the office of Price Administration.

Bond Tenders

12 noon, April 26—Canada Treasury Bills, $65,000,000. Dated April 27. Payable July 27, 1945.

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)
April 24, 1945

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
▲Alg. Cen. H.B.R.	5	'59	65	68	66
†Assoc. Tel. & T.	5½	'55	111	113½	111
B. C. Power	4½	'60	102½	105	102
B. C. Tel.	4½	'61	107	109	107
†Calgary Pwr.	5	'60	112½	115	112½
Do.	5	'64	104½	107	104
†Can. Nor. Pwr.	5	'53	111	...	111
Gatineau Pr. A	3¾	'69	115½	...	115½
♦Do., B	3¾	'69	104	106½	104
Gt. Lakes Pwr.	4½	'56	103	105	104½
Do.	5	'57	103	105	103
*Int. Hydro-El.	6	'44	88	91	85
L. St. Law. Pr.	5	'55	102	...	102½
Macin-Que. Pr.	4	'59	102½	104½	102½
Mtl. L. H. & Pr.	3½	'56	102	105	102
Do.	3½	'73	99½	102	99½
Do.	3½	'63	101	103	101
†Mtl. Tramways	5	'51	107	109½	107
†Do.	5	'55	99	101½	99
Nat. Lt. & Pwr.	4½	'61	97	100	97
N. S. Lt. Pr.	4	'57	102½	104½	102½
Otta. L. H. & P.	4	'57	102	104½	102
Ottawa V. Pwr.	5	'59	102½	...	102½
†Power Corp.	4½	'59	114½	116½	114½
Quebec Pwr.	4	'62	103	105	103
*Sag. P. "A" a	4½	'66	115½	...	115½
♦Do., B	4½	'66	104	106½	104
St. Maurice Pr.	3¾	'70	100½	103	100½
Shaw. W. & Pr.	4	'61	103	105½	103
†Do.	3½	'70	98	100½	98
Do.	4	'69	102½	105	104
Union Gas	4½	'50	101½	103½	101½
†United Secs.	3	'52	97	100	97
†Wpg. El. Ser. A	5	'65	100	102	100
Do., B	5	'65	102½	105	103
Industrial and Realty Issues:					
†Abitibi P. & P.	5	'53	114	116½	113
Do., C.O.D.	5	'53	114	116½	112½
Acadia Sugar	4½	'55	101	103	101
Do.	6	'54	102	104	102
†Alta. Pa. Grain	6	'46	104	...	104
Algoma Steel	5	'48	102	104½	102
Atlantic Sugar.	4	'51	101½	...	101½
†B. C. Pulp & P.	6	'50	105	...	105
‡†Do.	7	'50	111	...	111
*Brown Co.	5	'59	104½	107	103
Burns & Co.	5	'58	100	103	99½
Canada Cement	4½	'51	102	104	102
Canada Electric	4½	'65	101	104	101
Can. Steamship	3½	'57	97½	100½	97½
*Can. Int. Paper	6	'49	114	...	114
‡Can. Locomot.	6	'53	105	...	105
‡†Candn. Vickers	6	'47	101	103	101
C.P.R.	3½	'51	103	105½	103
Do.	4	'49	105½	107½	105½
†Consol Paper	5½	'61	108	110½	106½
Dom. Coal	4½	'52	101	103	101
Dom. Scott. Inv.	4	'52	100	102½	100
Dom. Stl. & C.	6½	'55	107½	109	108
Dom. Woollens.	5	'64	95	97	96
†Donnacona Pap.	4½	'56	104	106	104
*Dryden Pap.	6	'49	106	...	106
Famous Players	4½	'51	102	104	102
†Federal Grain.	6	'49	106	...	106
*Great L. Paper.	5	'55	110	112	110
Gurney Fdry.	5½	'49	101	...	101
†Gypsum Lime.	5½	'48	107	109	107
Ham. Cotton	3¾	'59	98½	100½	98½
Inter-City Bak.	5½	'48	101	103	101
Indust. Accept.	4	'52	101	103	101
Ins. Ex. Bldg.	3	'51	67	70	67
*Inter. P. Nfld. (Bowater's P&P)	5	'68	111	...	111
*Inv. Bond & Sh.	5	'47	85	88	85
Lake St. J. P.	5½	'61	102½	105	102
Do.	5	'61	97	99	97
Legare	6	'61	100	...	100
Maple L. M.	5½	'58	101	103	101

Municipal Bonds

April 24, 1945

	%	Due	Bid	Ask.	Yld. %
Halifax	3½	1965	102.00	104.00	3.22
Hamilton	5	1950	109.00	112.00	2.57
Montreal	3	1950	98.00	101.00	2.81
Ottawa	3	1953	101.25	103.75	2.50
Quebec	3	1964	97.00	100.00	3.00
Saint John	5	1950	107.00	110.00	3.15
†Toronto	4½	1955	123.25	126.25	1.64
†Vancouver	5	1970	121.50	124.50	3.51
Winnipeg	6	1950	111.00	114.00	3.16

†Payable Canada and New York.

Investment Trusts

	Bid	Asked
Affiliated Funds	4.80	5.26
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	4.10	4.50
Can. Investors	6.75	7.75
Commonwealth Int.	3.23	3.55
Corporate Inv.	7.40	7.95
Trans-Canada (A)	11.65	...
Do. (B)	....	11.50

Heva Cadillac Gold Mines has advised the Toronto Stock Exchange that payment covering an additional 287,500 shares has been received under Feb. 26, 1945, agreement with Federal Trading & Agency Ltd. Balance of agreement comprises an option on 886,928 shares. Issued capital is 4,113,072 shares.

Hosco Gold Mines has advised the Toronto Stock Exchange that payment has been received covering an additional 40,150 shares under Nov. 6, 1944, agreement with Wedlake Interests Ltd. Balance of agreement comprises an option on 743,200 shares. Issued capital is 1,706,805 shares.

Corporation Bonds Cont'd

	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
Man. Sugar	5	'60	104½	107	104½
Massey-Harris	4½	'54	102	104	102
McColl-Fron.	4½	'49	102	104	102
McCormicks	4	'52	101	103	101
Do.	4½	'52	101	103	101
Mercury Mills	5	'59	100½	102½	100½
Mersey Paper	5	'57	100½	...	100½
†Do.	6	'49	100½	...	100½
*M. & O. Paper.	5	'60	115	...	115
Moirs Ltd.	6	'53	100½	...	100½
‡Mtrl. Drydocks.	6	'48	97½	100½	97½
Montreal Apts.	4	'54	84	87	84
N. S. Stl. Coal.	3½	'63	91	93	91
Price Bros.	5	'57	103	105	103
*Prov. Paper	5½	'47	110½	...	110½
Reliance Grain.	4½	'52	100½	...	101
Silv. Dairies	6	'66	101	103½	101
Simpsons, Ltd.	3½	'60	100½	102½	100½
United Corp.	4	'58	100½	102½	100½
United Gr. Grs.	4½	'58	101	103	101
†Western Grain.	5	'63	97½	90½	87

* Payable in Can. or U. S.
†Payable in Can., U. S. or U. K.
°Payable in U. S.
♦Payable in Canada only.
‡Traded without accrued interest.
▲Payable in Can. or U. K.

Aunor to Speed Work When Labor Improves

An intensive development campaign is contemplated by Aunor Mines when competent workmen become available, James Y. Murdoch, president, told shareholders at the annual meeting. Adequate funds were reported available to proceed with the projects which include the use of considerable concrete underground where shaft sinking, drifting and cross cutting have to be done in the soft chloridized schist which is present on both sides of the ore zone.

Cost of work is expected to affect future earnings, the president states, but it is hoped that this will be offset by ability to mine and mill a larger tonnage of ore than was possible in 1944, thus reducing costs.

Net profit for the first three months of 1945, was estimated at $132,628, or 6.63 cents a share as against average quarterly earnings of 6.59 cents a share in 1944.

New Bidlamaque Gold Mines has advised the Toronto Stock Exchange that payment has been received covering an additional 50,000 shares under March 31, 1944, agreement with Jas. A. Grant. Balance of agreement comprises an option on 600,000 shares. Issued capital is 2,300,005 shares.

18 Small Industries Opened in Man. in '44

Eighteen new industries were established in Manitoba in 1944, according to the provincial Industrial Development Board's annual report. All of these were small, all in Winnipeg. Eight firms were in the clothing business, four in woodworking or furniture, two in upholstering, one each in industrial electroplating, aircraft overhaul, bedding, and one making fur trimmings, floor polishers, sheepskin washing mitts.

The establishment of an oil seed crushing plant at Altona, Man., by the Co-op. Vegetable Oils Ltd. has been arranged with the financial co-operation of the Provincial Government, the report states. This plant will undertake the crushing of sunflower seed, and it is expected that some rape seed and soya bean seed also will be processed. Operations are expected to begin next June. In the past, no sunflower or rape seed has been processed in the Prairie Provinces, it is stated. In 1944, Manitoba produced 5,650,000 lb. of sunflower seed and 4,200,000 lb. of rape seed as compared with 2,775,500 lb. and 1,200,000 lb. in 1943.

BUY VICTORY BONDS
MAKE VICTORY STICK

Dividends Declared

	This payment $	Date payable	Date of record
Agnew Surpass c.	.30	June 1	Apr. 30
Aluminum 5% pr..	1.25	May 1	Apr. 5
A.-Can. Tel. 5¼% p.	.68¾	May 1	Apr. 10
Ang.-Can. Oil	.05	May 14	Apr. 28
Ault & Wiborg 5½% pr.	1.37½	May 1	Apr. 16
Aunor G. M.	.05	June 1	May 10
Bank of Montreal	.15	June 1	Apr. 30
Bank of N. Scotia ,	.25	May 1	Apr. 14
Bank of Toronto..	.25	June 1	May 15
Bathurst Pwr.	.25	June 1	Apr. 30
Blue Ribbon 5% p.	.62½	May 1	Apr. 16
Brazilian Trac. ..	1.00	June 1	Apr. 13
Brewers & Dist. ..	.50&.10	May 21	Apr. 19
Caldwell Lin. 1 pr.	.37	May 1	Apr. 10
Do., 2nd pfd. ...	.20	May 1	Apr. 10
Calgary Pr. 6% p.	1.50	June 1	May 10
Can. Bronze	.37½	May 1	Apr. 10
Do., 5% pr.	1.25	May 1	Apr. 10
Can. Oil, c.	.25	May 15	May 1
Can. Converters ...	.75	Apr. 30	Mar. 15
Can. Indus., A & B	1.25	Apr. 30	Mar. 29
Can. Industries A & B	1.25	July 31	June 29
Do., 7% pref. ..	1.75	July 14	June 15
Can. Int. Inv. Tr..	1.00	June 1	May 1
Can. Bk. of Com. .	.15	May 1	Mar. 31
Can. Investors c. ..	.10	May 1	Apr. 5
Can. Marconi c. ..	.04	June 1	Apr. 16
Capital Est.	†.10	May 15	Apr. 28
Cinzano "A" c....	4½d	Apr. 30	Mar. 20
Circle Bar Knit...	.15&.05	June 1	May 15
Coast Breweries ..	.03	May 1	Apr. 14
Cockshutt Plow, c.	.25	June 1	May 1
Do.	.25	Dec. 1	Nov. 2
Consumer's Glass..	.50	May 21	Apr. 30
Confed. L. 30% pr.	1.50	June 30	June 25
Do.	1.50	Sept. 29	Sept. 25
Do.	1.50	Dec. 31	Dec. 24
Coniaurum Mines.	.04	Jun. 28	Jun. 5
Crown Cork	.50	May 15	Apr. 17
Detroit Int. Bridge	†.50	May 31	Apr. 23
Dist. Corp.-Seagrams 5% pr.	†1.25	May 1	Apr. 14
Dome Mines	.30	Apr. 30	Mar. 29
Dom. Bank c.	.20	May 1	Apr. 14
Dom. Malting	.20	May 1	Mar. 31
Do.	.20	Aug. 1	June 30
Dom. Engineer ...	2.00	May 11	Apr. 17
Dom. Tar & Chem. 5½% pr.	1.37½	May 1	Apr. 2
Dom. & Ang. Invest. 5% pr. ...	1.25	June 1	May 15
Dom. Fabrics c. ..	.20	May 1	Apr. 16
Do., 1st pref.	.75	May 1	Apr. 16
Do., 2nd pref. ...	.37½	May	Apr. 16
Dom. Malt. 5% p..	1.25	May 1	Mar. 31
Do.	1.25	Aug. 1	June 30
Dom. Oilcloth c. ..	.30&.10	Apr. 30	Mar. 30
Dom. Woollens ...	.12½	May 1	Apr. 14
Eastern Steel	.25	June 1	May 14
Federal Fire Ins. c.	1.50	Aug. 15	Aug. 11
Fleet Aircraft	.25	May 15	May 1
Gen. Steel Wares c.	.20	May 15	Apr. 17
Do., 5% pr.	1.25	May 1	Apr. 3
Hallnor Mines ...	.05	June 1	May 10
Hamilton Cot. c...	.22½	Jun. 1	May 10
Home Oil	.15	May 15	Apr. 10
Imperial Bank, c.	.20	May 1	Mar. 31
Intnl. Metal 6% pr.	1.50	May 1	Apr. 10
Intn. Nickel, 7% p..	†1¾%	May 1	Apr. 3
Int. Utilities, pr. ..	†.87½	May 1	Apr. 20
Do., c.	†.37½	June 1	May 15
Inv. Found. 6% pr.	.75	July 16	June 15
Island Mountain M.	.03	May 28	Apr. 27
Kirkland L. Gold.	.02	Apr. 30	Mar. 30
Lamaque Gold c...	.05	June 1	Apr. 30
Laura Secord	.20	June 1	May 1
Leitch G. M.	.02	May 15	Apr. 16
Loblaw Groc. A & B	.25&.12½	June 1	May 1
London & W. Tr..	1.00	May 1	Apr. 14
Mercury Mills	.20	May 1	Apr. 15
McIntyre-Porc. M.	.55½	June 1	May 1
Montreal Cottons .	1.00	June 15	May 15
Do., 7% pref. ...	1.75	June 15	May 15
Ogilvie Flour Mills	.25	July 3	May 28
Do., 7% pref. ..	1.75	June 1	Apr. 26
Ont. Steel	.25	May 15	Apr. 15
Do., 7% pfd.	1.75	May 15	Apr. 15
Orange Crush pr...	.70	May 1	Mar. 31
Ottawa Car	.25	Oct. 1	Sept. 1
Ottawa L. H. & Pr.	.15	July 1	Apr. 25
Do., 5% pref. ...	1.25	July 1	Apr. 25
Penmans, c.	.75	May 15	Apr. 16
Do., 6% pr.	1.50	May 1	Apr. 2
Price Bros., c.	1.50	May 1	Apr. 12
Pressed Metals ...	†.25	June 1	May 1
Proprietary Mines c.	.05	May 3	Apr. 3
Purity Flour, pr. ..	.62½	May 1	Apr. 2
Quebec Power c. .	.25	May 25	Apr. 19
Regent Knit Mills.	.40	June 1	May 1
Do.	.40	Sept. 1	Aug. 1
Do.	.40	Dec. 1	Nov. 1
Rolland Paper	.15	May 15	May 5
Do. 6% pr.	1.50	June 1	May 15
Royal Bank	.15	June 1	Apr. 30
Saguenay Pr. 5½% p	1.37½	May 1	Apr. 17
Scythes & Co., new c.	.19	June 1	May 15
Shawinigan W. & P.	.22	May 25	Apr. 19
Sherritt Gordon .	.02	June 28	May 23
N. Slater	.30	May 1	Apr. 10
Sherwin-Wms. c...	.15	May 1	Apr. 10
Steel of Can.	.75	May 1	Apr. 6
Do., 7% pf.	.75	May 1	Apr. 6
St. Lawr. Fl'r, c.	.35 & .50	May 1	Mar. 31
Do., 7% pr.	1.75	May 1	Mar. 31
Silknit Ltd. 5% pr.	.50	May 15	Mar. 13
Simpsons 4½% pr..	1.12½	June 15	May 15
S. Am. Gold & Plat.	†.10	May 9	Apr. 25
H. Smith Pap., c..	.25	Apr. 30	Mar. 31
Do., 6% pr.	1.75	Apr. 30	Mar. 31
South Can. Power	▪.20	May 15	Apr. 20
Steel of Can. 7% pr.	.75	May 1	Apr. 6
Sylvanite G. M. ..	.03	July 3	Apr. 28
Teck-Hughes c. ..	.05	June 1	Apr. 30
Thrift St's 6½% p...	1.62½	May 15	May 1
Do., extra	3.25	May 15	May 1
Toburn Gold	.01	May 22	Apr. 20
United Corp. A ..	.37	May 15	Apr. 14
Waite Amulet M..	.20	June 11	May 10
Walker-Gooderham & W.	1.00	June 15	May 11
Do., pref.	.25	June 15	May 11
Wellington Fire c.	1.75	Aug. 15	Aug. 11
Wood, A.&J. 7% p.	1.75	May 1	Apr. 14
Zellers	.20	May 1	Apr. 15
Do., 5% pr.	.31¼	May 1	Apr. 15
Do., 6% pr.	.37½	May 1	Apr. 15

† N. Y. funds.

▪ Subject to approval of Foreign Exchange Control Board.

Company Meetings

1945	Company	Place
Apr. 28	Minn. & Ont. Pap. ..	Minneapolis
Apr. 28	Ashley Gold Mng.	Toronto
Apr. 30	Base Metals Mng.	Toronto
Apr. 30	Bathurst P. & Pap.	Montreal
Apr. 30	W. D. Beath & Son	Toronto
Apr. 30	B. A. Oil Co.	Toronto
Apr. 30	Cassidy's Ltd.	Montreal
Apr. 30	Cinzano Ltd.	Montreal
Apr. 30	Can. Malartic G. M.	Toronto
Apr. 30	Dome Mines	Toronto
Apr. 30	Enamel & H. Pr..	Sackville, N.B.
Apr. 30	Ford Motor of Can.	Windsor
Apr. 30	Imperial Oil	Sarnia
Apr. 30	Jerome Gold Mines	Toronto
Apr. 30	John A. Lang & Sons..	Kitchener
Apr. 30	Labrador Mng. & Exp...	Montreal
Apr. 30	Mining Corp.	Toronto
Apr. 30	Montreal Island Power..	Montreal
Apr. 30	Normetal Mng.	Toronto
Apr. 30	Pascalis Gold Mines	Toronto
Apr. 30	Quemont Mng.	Toronto
Apr. 30	Sick's Breweries	Calgary
Apr. 30	Southmount Invest.	Montreal
Apr. 30	Geo. Weston Ltd.	Toronto
May 1	Hollinger Cons. G. M...	Montreal
May 2	Candn. Pac. Railway ..	Montreal
May 2	Inter. Utilities	New York
May 2	Jamaica Public Serv. ...	Montreal
May 3	Internat. Min. ..	Wilmington, Del.
May 5	Gunnar Gold Mines	Toronto
May 7	Aldermac Copper	Montreal
May 7	Francoeur Gold Mines ..	Montreal
May 7	Towagmac Exp.	Montreal
May 9	Dom. Steel & Coal	Montreal
May 9	Inter Paper	New York
May 30	Anglo Can. Oil	Calgary

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
Can. North. Pwr..	5%	1953	May 1	101
Kingston Elevator	6%	1950	May 1	102
L'r St. Law. Pwr.	5%	1955	May 25	102½
J. Morrison Brass	7½%	1947	July 1	50
Do.	7½%	1947	July 1	100
North. Utilities..	4½%	1959	June 1	101
Rolph-Clark-Stone	4%	1951	May 1	101
Windsor Gas	5%	1966	May 1	100

DIVIDEND NOTICES

Loblaw Groceterias Co. Limited

NOTICE is hereby given that a quarterly dividend of 25 cents per share and a bonus of 12½ cents per share on the Class "A" shares, and a quarterly dividend of 25 cents per share and a bonus of 12½ cents per share on the Class "B" shares of the Company have been declared for the quarter ending May 31st, 1945, payable on the 1st day of June, 1945, to shareholders of record at the close of business on the 1st day of May, 1945. The transfer books will not be closed. Payment will be made in Canadian Funds.

By Order of the Board,

R. G. MEECH,
Secretary.

Toronto, April 18th, 1945.

WAITE AMULET MINES, LIMITED

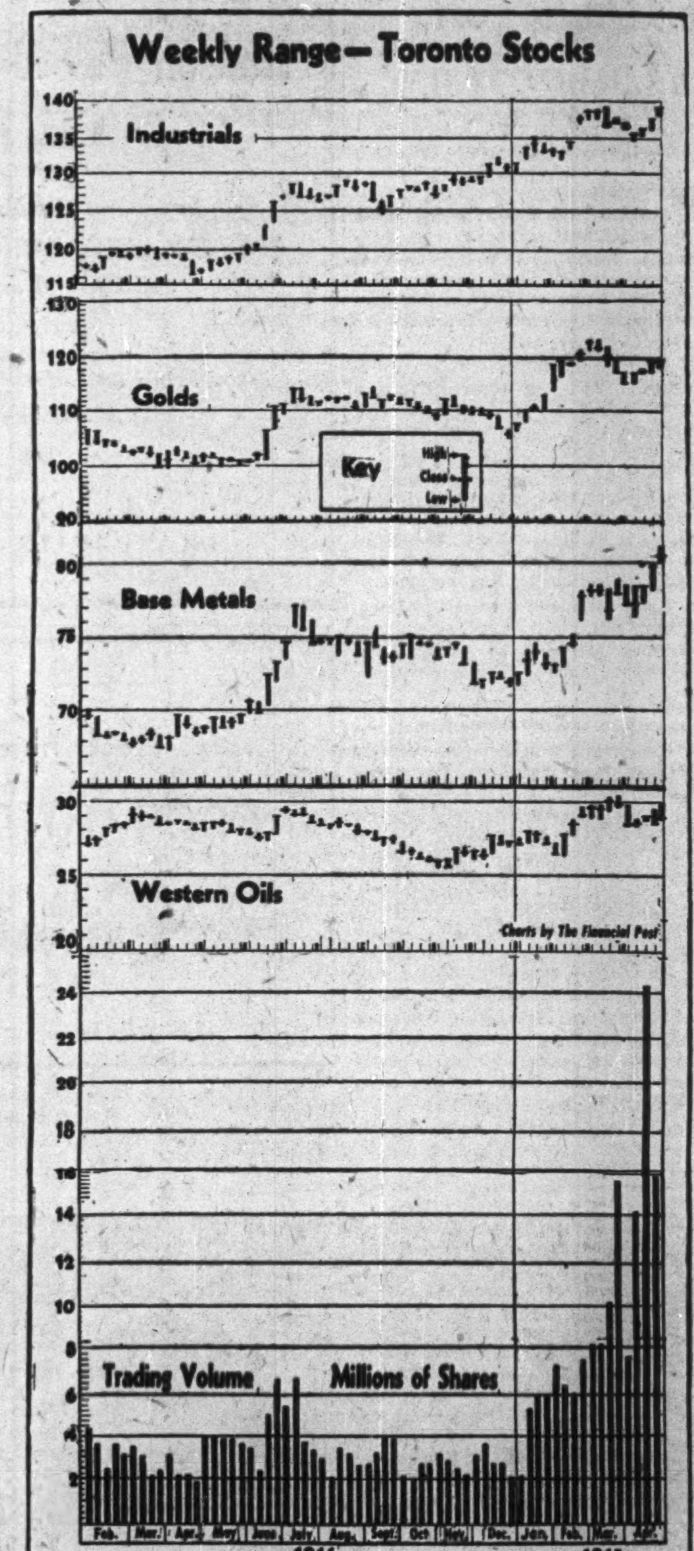
DIVIDEND NOTICE

Notice is hereby given that an interim dividend of Twenty Cents (20c) per share, payable in Canadian funds, has been declared by the Directors of WAITE AMULET MINES LIMITED, payable June 11th, 1945, to shareholders of record at the close of business May 10th, 1945.

By order of the Board,

J. R. BRADFIELD,
Secretary.

Toronto, Ont.,
April 20, 1945.



DIVIDEND NOTICES

BANK OF MONTREAL

ESTABLISHED 1817

DIVIDEND NO. 328

NOTICE is hereby given that a DIVIDEND of FIFTEEN CENTS per share upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after FRIDAY, the FIRST day of JUNE next, to Shareholders of record at close of business on 30th April, 1945.

By Order of the Board.

B. C. GARDNER,
General Manager.

Montreal, 17th April, 1945.

THE DOMINION BANK

DIVIDEND NO. 250

Notice is hereby given that a dividend of two per cent (twenty cents per share) upon the paid up capital stock of this Institution has been declared for the quarter ending 30th April, 1945. The dividend will be payable at the Head Office of the Bank and its Branches on and after Tuesday, the first day of May, 1945, to shareholders of record of the 14th April, 1945.

By Order of the Board.

ROBERT RAE,
General Manager.

Toronto, 15th March, 1945.

GENERAL PETROLEUMS LIMITED

Notice of Dividend No. 16

Notice is hereby given that a dividend at the rate of 6% per annum on the Preferred Shares (Par Value $100.00) will be paid by General Petroleums Limited on or about the 1st day of May, to shareholders of record at the close of business on the 21st day of April, 1945.

By order of the Board of Directors.

Dated at Calgary, Alberta, this 16th day of April, 1945.

H. E. HOWARD, C.A.,
Secretary-Treasurer.

Transfer Agents:
The Trusts and Guarantee Co. Ltd.
Calgary, Alberta.

Borden's

DIVIDEND No. 141

An interim dividend of forty cents (40¢) per share has been declared on the capital stock of *The Borden Company*, payable June 1, 1945, to stockholders of record at the close of business May 15, 1945.

E. L. NOETZEL
April 24, 1945 *Treasurer*

SYLVANITE GOLD MINES, LIMITED

(No Personal Liability)

TO SHAREHOLDERS AND HOLDERS OF SHARE WARRANTS.

NOTICE OF DIVIDEND NO. 59

TAKE NOTICE that a regular quarterly Dividend of 3% (i.e. three cents per share) on the outstanding Capital Stock of the Company, payable in Canadian funds, has been declared as Dividend No. 59.

Such Dividend will be payable July 3rd, 1945, to Shareholders of record at the close of business April 28th, 1945.

In the case of Share Warrants such Dividend will be payable on or after July 3rd, 1945, in respect of the shares specified therein upon presentation and delivery of Coupon No. 59 at:

The Canadian Bank of Commerce, Toronto, or any Branch of said Bank in Canada (far Northern Branches excepted), or Liberty Bank of Buffalo, Buffalo, N.Y.

By Order of the Board.

W. S. WALTON, Secretary.

April 19th, 1945.

Ontario Hydro Load Up 8.8%

Primary power load served during March, 1945, increased by more than 200,000 horsepower over the figure for March, 1944, according to statistics released by The Hydro-Electric Power Commission of Ontario. An increase of approximately 140,000 horse-power was recorded on the Southern Ontario System, resulting mainly from the higher demands of municipal and rural consumers, while new load of approximately 50,000 horsepower was supplied by the Northern Ontario Power Co. plant recently acquired by the Commission.

Complete load tabulations are as follows:

	Maximum 20-min. Peak H.P. Mar. 1945	Mar. 1944	% Inc.
Primary Loads:			
South. Ont. ...	2,104,580	1,964,189	7.1
Thunder Bay ..	120,643	117,963	2.3
Nor. Ont. Prop.	245,466	187,710	30.8
	2,470,689	2,269,862	8.8
Primary & Secondary Loads			
South. Ont.	2,150,881	2,069,410	3.9
Thunder Bay ..	134,987	126,542	6.7
Nor. Ont. Prop.	305,104	235,499	29.6
	2,590,972	2,431,451	6.6

Madsen Red Lake Gold Mines reports bullion output of $269,139 from 27,829 tons milled, an average recovery of $9.67 gold per ton in the three months ended March 31, 1945, compared with $345,378 from 25,867 tons milled, an average of $13.35 in the final three months of 1944, and $316,731 from 35,259 tons treated, an average of $8.98 in the quarter ended March 31, 1944.

DIVIDEND NOTICES

THE CORRUGATED PAPER BOX COMPANY, LIMITED

PREFERRED STOCK DIVIDEND

Notice is hereby given that a dividend of 1¾% has been declared on the Preferred Stock of the Company, payable on the 1st day of June, 1945, to shareholders of record at the close of business on the 1st day of May, 1945.

Dated the 23rd day of April, 1945.

J. A. WHEALY,
Secretary.

The Montreal Cottons Limited

Notice is hereby given that a quarterly dividend of one and three quarters per cent (1¾%), being at the rate of seven per cent (7%) per annum, has been declared upon the preferred stock of the Company, and cheques will be mailed on the fifteenth day of June next, to shareholders of record at the close of business on the 15th day of May, 1945.

By Order of the Board,

CHAS. GURNHAM,
Secretary-Treasurer.

Valleyfield, April 18th, 1945.

The Montreal Cottons Limited

NOTICE IS HEREBY GIVEN THAT A DIVIDEND OF ONE PER CENT (1%) has been declared upon the Common Stock of the Company, and cheques will be mailed on the fifteenth day of June next, to shareholders of record at the close of business on the 15th day of May, 1945.

By Order of the Board,

CHAS. GURNHAM,
Secretary-Treasurer.

Valleyfield, April 18th, 1945.

MARKET COMMENT

Interest Widens

Although down sharply from the previous week's record volume, heavy trading continued on the Canadian stock exchange this week. Speculation in mining issues continued to dominate the action with the popularity spotlight ever widening in focus. Blue chip industrials gave evidence at week's end of getting back into the trading picture.

The first day of the Eighth Victory Loan saw a total turnover of 15,468,700 shares on the Montreal and Toronto exchange. This may be part confirmation of a view fairly widely held—that there is so much ready money about that even the loan will be unable to seriously retard the fast market pace.

Some investors still feel that this is a good time to look for quality and to be highly critical of the shares of marginal companies.

• • •

Barron's (New York) The Trader: In the light of the certainties of enormous postwar business volume and of tax relief that will produce commensurate earning power, peace is still bullish for a market that is presently less than seven points higher than just after the outbreak of war in September, 1939.

• • •

Barron's (New York) The Dow Theorist: With new highs in both the Dow-Jones industrial and railroad averages, all trends under the Dow theory are regarded as up. Activity on the rise continues favorable in the bull cause.

For future reference, the March decline must be regarded as a minor downtrend. This means that the present leg of the bull market began in September, when the industrial average hit a low of 142.96 and the rails bottomed at 38.71, and that it has yet to run into a full secondary correction. When that may come, the Dow theory does not pretend to forecast.

• • •

New Highs and Lows

During the week ended Apr. 23 there were 25 new highs recorded among the "general" stocks traded on Canadian stock exchanges and 18 new lows for 1945 to date. In the mining group there were 34 new highs and 4 new lows registered in the week. Two new highs and no new lows were recorded by the oil stocks during the week.

GENERAL

New Highs—1945

Andian Nat.
Asbestos
Beatty Bros. A
Do., 2nd pref.
Caldwell Lin. 1 pf.
Can. Dredge
Cons. Smelt.
Corr. P. Box
Do., Right
Crow's Nest Coal
Distill.-Seagram
Dom. Bridge
Dom. Oilcloth
Dom. Woollens
Ford Motor "A"
Indust. Accept.
Int. Utilities, new
Laura Secord
Monarch Knit., pf.
Mont. Ref. & St.
Norduyn Av.
Penmans
South. Invest.
Tor. Gen. Trust
Walker-Good.

New Lows—1945

Amal. Electric
B. C. Power "B"
Canada Bread 1 pf.
Can. Celanese Rts.
Can. Bakeries
Can. Ing. Rand
Can. Vickers, pref.
Crown Cork
Easy Washing
Gatineau Pwr.
Gt. Lakes Pap. pf.
Do., Vot. Tr. c.
Do., Vot. Tr. pr.
Imp. Varnish
Loblaw "A"
St. Lawrence Corp.
Tamblyn
United Grain "A"

MINING

New Highs—1945

Aquarius
Atlas Y'fe.
Belleterre
Bonetal
Century
Cryderman
Duquesne
East Sullivan
Elder
Gold Lake
Gold. Manitou
Graham
Harker
Hasaga
Homer Y'fe.
Hosco
Jason
Jellicoe
Island Mountain
Lake Fortune
Man. & East.
Maralgo
New Bidlamaque
Norgold
North. Empire
O'Leary
Pandora
Pend. Oreille
Perron
Porc. Reef
Rice Lake
Rouyn M.
Sullivan C.
Waite Amulet

New Lows—1945

Aldermac
Int. Uranium
Proprietary
West Malartic

OILS

New Highs—1945

Acme G. & O.
Nordon

New Expansion By Steel Co. Being Studied

MONTREAL (Staff)—Construction by Steel Co. of Canada of its new hot strip mill is progressing satisfactorily, and construction of cold reducing mills will be proceeded with as soon as possible, probably when cutbacks in war orders free shop capacity, stated Ross H. McMaster, newly elected chairman of the board, in his final address as president at the annual stockholders' meeting.

Although this expansion program involves a large aggregate expenditure, and though this installation, said Mr. McMaster, may be somewhat in advance of its time, considering the limitations of the Canadian market, confidence was expressed that the steady growth in consumption of flat rolled steel would make possible economic operations.

Imposts on Machinery

Further plans to diversify range of products and reduce costs are being studied, it was stated, but what may be done in this direction must depend on postwar developments and the prospect for obtaining a satisfactory return on new investment. Though the additional depreciation deductions now permitted for new construction, and promise of removal of some other obstacles to new undertakings, were hopeful developments, Mr. McMaster pointed out that an important aspect to be considered is Canada's need to import many types of special machinery. Including the 10% duty, the 10% war exchange tax and the 8% sales tax, there are special imposts of over 30% Canadian currency on equipment imports, and on top of this is the fact that the Government takes a minimum of 40% as its share of industrial profits—all of which have a discouraging effect on new plant investment.

Increased cost of new plant equipment is a matter of prime importance to the steel industry, Mr. McMaster explained. First, the amount of plant investment related to annual turnover is much higher than in most other lines of business, and, second, many important classes of steel are admitted into Canada entirely duty free.

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Hallnor Shaft Sinking Subject to Labor Needs

In commenting on 1944 operations, James Y. Murdoch, president of Hallnor Mines, advised shareholders that it is hoped that adequate labor will be available in the current year to permit commencement of shaft sinking to the indicated new ore body. The Hallnor ore appeared to be definitely limited at 2,100 ft., although diamond drilling indicated commercial ore over a length of some 600 ft. at the west end of the property and at a depth of approximately 2,700 ft.

The president stated that it was important that the present ore body should not be exhausted by the time ore begins to flow from lower levels. Previously it was estimated that about three years would be required from the time shaft sinking started until ore could be drawn from new stopes below the 2,100-ft. level.

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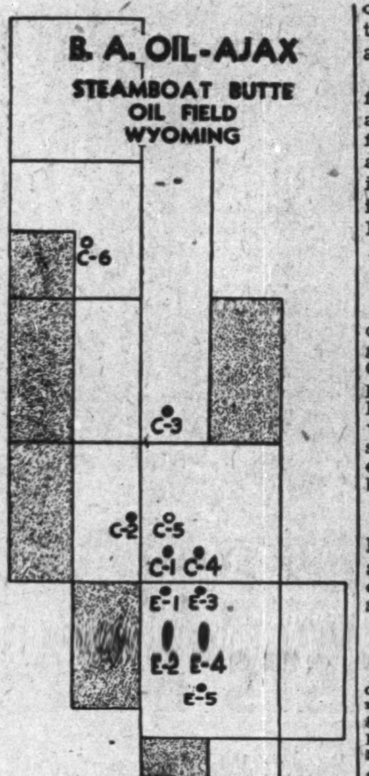
New Pipeline, More Wells, Brighten Outlook for B. A.-Ajax Operation

By GORDON M. GRANT

Substantial greater production revenues appear in prospect for Wyoming's Steamboat Butte oil field, owned 75% by B. A. Oil, 25% by Ajax Oil & Gas, through Chatham Oil Co., as a result of B. A.'s Toronto Pipeline Co. deciding to construct a 90-mile pipe line to service this rapidly expanding oil field.

Application has already been made to the appropriate U. S. authority to proceed with the project and it is anticipated permission for its construction will be forthcoming. Oil reserves of 15.2 million barrels for existing wells are reported in connection with the pipeline application, but it is understood that other estimates show considerably higher figures.



Ship Oil By Truck Now

Daily production from the field at present is reported at approximately 3,500 bbls. daily with oil shipped 30 miles by truck, but it is estimated that the nine wells so far successfully completed on the lease would average 700 bbls. a day with the transportation problem solved. Thus the pipe line may conceivably come close to doubling production revenue while unit transportation costs can be expected to show reduction.

So far B. A. and Ajax have yet to drill a dry hole on their Steamboat Butte lease and the producing field is not delimited in any direction. Realizing the possibilities for further expansion of the producing area, approximately 1,450 acres of extra ground has been added to the holding for protection along the flanks in the past year or so and the Steamboat Butte acreage is now up to 5,800. (Acreage added is stippled in on the accompanying map.)

Field Extended North

Recent drilling has added substantially to the indicated productive area of the field and drilling now in progress may provide news of a most significant character. Well No. C-3 (see map), a mile north of the previously most northerly producing well, has been brought in with a potential production of 700 bbls. daily from the Ten Sleep sands. The C-4 well, completed to the Sundance sands Mar. 31, 1945, has a maximum potential production of 1,435 bbls. daily, it is stated, contacting the Sundance sand at a depth of 5,100 ft.

Another well completed at the south end of the field now gives the field a proved north-south length of one and a half miles and a width of approximately three quarters of a mile. Drilling of C-6 well, a mile and a half northwest of the C-3 well, now being undertaken, may conceivably result in a further doubling of the length of the indicated productive area.

In view of the results secured, it appears that drilling in the Steamboat Butte field will be continuing steadily for a long time to come.

85c. a Barrel at Well Head

Bulk of the company's oil at present fetches 85c. a barrel at the well head, but a small qantity of lighter oil secured from the Lacota formation is also sold, fetching about $1.23 a barrel.

South of the Steamboat Butte field, B. A. Oil and Ajax also have a 75-25 interest in the Pilot Butte field, previously the more important sector. There are three producing wells on the joint ground held in this area. Surrounding the Pilot Butte B A.-Ajax ground, B. A. Oil has joined forces with Superior Oil Co. to take up a large acreage for development.

Decision of the Toronto Pipeline Co., B. A.'s subsidiary, to construct a 90-mile pipe line appears to reflect B. A.'s opinion of the general productive possibilities of the area.

Steamboat Butte, even at its present state of development, would represent a major oil discovery if found in Canada. Because the field has been found "in old Wyoming" by two Canadian companies, however, many people here appear either not to have heard of its existence or to know little of results secured.

MINING CONCENTRATES

Big Game Mines reports holdings of over 17,000 acres divided into 24 groups in various mining areas of Ontario and Quebec. Recently company sold 16 claims to Border Malartic Mines for one million shares, while additional acreage is being sold to a new company being formed on three groups of claims in Guibord twp., Ont.

• • •

Bonville Gold Mines reports one heavy diamond drill machine operating on its Villebon twp. property exploring ore shoots indicated by surface trenching.

• • •

Dome Mines reports bullion production of $401,462 from 43,200 tons milled, an average recovery of $9.29 gold per ton in March, 1945, compared with $460,225 from 45,400 tons milled, an average of $10.14 in the similar month of 1944, and $400,151 from 39,200 tons milled, an average of $10.21 in February, 1945.

• • •

Donalda Mines reports current assets of $75,129 as at Dec. 31, 1944 as against current liabilities of $6,642. Deferred expenditures totalled $107,863 while organization expenses amounted to $2,642. Fixed assets were valued at $307,324.

• • •

Eldona Gold Mines has advised the Toronto Stock Exchange that by March 30, 1945, agreement, as supplemented and amended by April 9 agreement. David Lieberman, Toronto, underwrote 400,000 shares at 40c. a share, payment for which has been made. Issued capital is 2,760,005 shares.

• • •

Glenora Gold Mines advises that by April 8, agreement, Vansec Agency & Development, Toronto, underwrote 100,000 shares at 10c a share, payable forthwith, and optioned 500,000 shares as follows: 100,000-share blocks at 15, 20 and 25c. and 200,000 shares at 50c., all payable by May 15, 1946. Upon issue of the 100,000 shares underwritten issued capital will be four million shares.

• • •

Golden Arrow Mines advises that diamond drilling has been resumed on its Hislop-Ramore-Matheson property. Earlier drilling returned intersections over a length of 225 ft. with values up to $9.45 across 8 ft. or $5.62 across 17 ft., it is reported.

• • •

Goldora Mines reports the completion of drill holes Nos. 28, 29 and 30. The latter hole was completed at 765 ft. intersecting 12.4 ft. of $7 grade from footage 225 to 237.4 ft. A second section of diorite with width of 65 ft. occurred between footages 400 and 465 ft. from which samples are being run.

• • •

Halden Red Lake Mines advises that C. F. Gifford, formerly of Dome, has been appointed field manager of the company and exploration is planned.

• • •

Heva Cadillac Gold Mines has advised the Toronto Stock Exchange that payment has been received covering 125,000 shares under Feb. 26, 1945, agreement with Federal Trading & Agency Ltd. Balance of agreement comprises an option on 1,174,428 shares. Issued capital is 3,825,572 shares.

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Jasper Porcupine Mines advises that drill hole No. 14 is expected to reach its objective shortly. Two additional holes have been spotted for an objective of some 1,500 ft.

• • •

Kayrand Mining & Development Co. announces that a crew is being sent in to resume work on its Villebon twp., Que., property. The company recently acquired a property in Louvicourt twp. A drill test is expected to be carried out on the latter.

• • •

Kencour Gold Mines advises that diamond drilling has started on its Louvicourt twp., Que., property.

• • •

Lebel Oro Mines advises that balance of treasury stock, comprising 107,071 shares have been sold on the open market. Issued capital is 3.5 million shares.

• • •

Paramaque Mines reports the completion of drill holes Nos. 12, 57 and 58 at depths of 803, 845 and 723 ft., respectively. No. 58 cut a fine shear containing 40 ft. of quartz-tourmaline with considerable mineralization in places, it is reported. No. 13 is continuing exploration of the central anomaly and No. 59 is drilling underneath No. 58 to test the theory that ore deposition in this section of the diorite dyke occurs at moderate depth.

• • •

Pandora Cadillac Gold Mines has advised the Toronto Stock Exchange that by April 14, 1945, agreement with Clair Agency Ltd., Toronto, 200,000 shares were underwritten at 15c. a share, payable forthwith and 1.2 million shares optioned as follows: 100,000 shares at 15c.; 300,000 shares at 20c.; 400,000 shares at 25c. 200,000 shares at 50c. and $1 a share. In order to keep the option in good standing the optionee must take up at least $5,000 worth of stock by June 15, 1945, and thereafter at least $5,000 worth on the 15th of each succeeding month; all of the 25c. stock by April 15, 1946, and the entire balance of the option by Oct. 15, 1946, with a 15-day notice clause in connection with any default.

• • •

Pershon Gold Mines reports that diamond drilling is starting immediately with first objective to cut the highgrade discovery vein at depth. Assays up to 1 oz. per ton were reported in surface work.

• • •

Rahill Red Lake Mining Co. reports election of Campbell T. Ross as president and the decision to conduct a geological survey preparatory to an extensive diamond drilling campaign. The property adjoins Cochenour-Willans and McKenzie Red Lake boundaries on the south and Martin-McNeely on the west. Earlier drilling of the Rahill property returned up to $28 across 2 ft. and is also reported to have located the geological break. Ample cash is reported for immediate requirements, as well as 162,000 shares of Marcus Gold Mines and 450,000 shares of Martin-MacNeely.

• • •

Sigma Mines (Quebec) reports bullion production of $162,463 from 25,575 tons milled, an average recovery of $6.35 gold per ton in March, 1945, compared with $195,363 from 26,390 tons milled an average of $7.40 in the comparable month of 1944, and $146,767 from 23,110 tons treated, an average of $6.35 in February, 1945.

• • •

Starlight Mines reports that two-heavy-duty drills are working on property in Louvicourt twp., Que., while plans have been completed for exploring the property in Shebandowan twp., Ont. A program of work is also proposed for claims in the Red Lake area, Ont.

• • •

Transcontinental Resources has advised the Toronto Stock Exchange that under clause 9 of conditions attaching to the debentures, holders of debentures in the aggregate principal amount of $11,300 have exercised their right to convert into shares and, as a result, 11,300 shares have been issued, thereby increasing issued capital to 3,038,907 shares, leaving 961,093 shares in the treasury. There now remain outstanding debentures in the aggregate principal amount of $17,200.

Lavalie Mines advises that diamond drill hole was terminated at 637 ft. and picked up the Golden Manitou "break" which showed veins and veinlets, pyrite and chalcopyrite mineralization. Hole No. 28 is drilling on line of the "break" 300 ft. east of No. 27.

Crossroads to Get Drill Test Litigation is Now Out of Way

Situated on the apparent easterly strike of the Malartic camp, the Crossroads property in Dubuisson twp., Que., has finally been removed from litigation and an exploration program is expected to get under way shortly under the proposed name of Elmac Malartic Mines, The Financial Post is informed.

Comprising about 600 to 700 acres, the Crossroads property years ago excited considerable interest, an intersection of 82 oz. across 13 in. being reported for one old surface drill hole in an 8 ft. 10 in. section of core showing free gold for this entire length, starting at 268 ft. depth.

An exploration winze was sunk and encouragement is stated to have been met with, a small stamp test mill being operated for a time. Litigation, however, prevented further work for some years.

The litigation was cleared up last July, it is stated, but death of one of the owners delayed work until the present even though a number of offers of financing had been received.

Three Finds Reported

The main find in previous work, The Post is informed, was found to have apexed at around the 300-ft. level in a winze sunk from the 100-ft. horizon. A second find was reported west of the shaft on the 100-ft. level in what people associated with the property think is the extension of the vein where the spectacular gold value mentioned above was secured.

A third find was reported made south and west of the shaft by sinking a winze to the 200-ft. level where values were encountered. Further work is stated to be warranted in this section to determine extent of these values.

In addition to the finds on the north break, the company has a south break on which several mineralized zones have been indicated by a geophysical survey.

Between $250,000 and $300,000 is reported to have been spent in connection with the property at one time or another, about $56,000 of this being cash expenditure to provide clear title for the property.

Diamond drilling is planned initially, but it is not known yet whether this will be started from surface or from underground workings.

Verona Lakes Financing

Finances are being provided by Verona Rock Products, but three large mining companies have approached the Verona interests for a share in the financing—one a large Cobalt silver producer of the old days and the others large Quebec gold producers. It is anticipated that one of these will figure in the financing.

Authorized capital of Elmac will be 3.5 million shares, with a million of these going to vendors. Finances will be provided through an underwriting and option on shares, details of which have not yet been released.

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Lake Shore Opens Important New Ore In Triangle Near Hargreaves Limit

By GORDON M. GRANT
Mining Editor, The Financial Post

KIRKLAND LAKE — Important ore has been opened by Lake Shore Mines in the small triangle of ground next to Wright-Hargreaves. This ore has now been shown by underground development to extend from 4,400 to 5,700 ft. vertical depth and diamond drilling shows it extends upward to at least 3,700 ft.

This ore is east of the Lake Shore east fault, a fault which has moved 200 ft. further (westward) into Lake Shore ground at depth, thus increasing Lake Shore potential ground to the east, but reducing the favorable stretch of ground west.

Up to 500 ft. Long

Work in this easterly section now shows ore lengths of from 300 to 500 ft. while width varies from less than drift width up to 30 ft. On strike, Lake Shore has about 1,000 ft. before the showing enters Wright-Hargreaves ground.

Ore grade values are understood to have been encountered right up to the Wright-Hargreaves boundary on several levels. The new ore in this location thus appears likely to prove an answer to the Wright-Hargreaves problem of no ore at depth.

Little work has been possible at depth recently due to shortage of manpower.

Ore was cut around the 6,000-ft. level some time ago, it will be recalled, and crosscutting is now proceeding at the 6,800-ft. level. Diamond drilling will be done from this heading, it is expected, but following Lake Shore practice, first drilling will be to determine location of faults in relation to the shaft rather than to pick up the downward extension of ore bodies. In a mine where the possibility of rock bursts is always kept in mind, important shafts are not sunk in close proximity to major faults. The management works out the rock pattern first before going after ore.

No estimates of ore reserves are released by Lake Shore because with rock bursts, it is only possible to outline ore on two sides instead of four. However, the policy of the Lake Shore management has been to keep work well ahead and the increase in lengths of unstoped ore and concentration on shaft sinking attests to this.

Great progress has been made in removal of pillar ore in recent years and with backfilling, thus minimizing the possibility of rock bursts. About 450,000 tons of pillar ore remain to be removed and with this gradually taken out and replaced, the rock burst situation will be that much the better.

Currently, something better than 700 tons daily is being treated in the mill. Granted an adequate supply of labor, the same $38.50 price for gold and taxes which are not too heavy, it is thought that there should be no difficulty whatever in treating 1,200 tons daily later on. With overhead relatively fixed, of course, gain in earnings would likely exceed the increase in production. Conditions are so uncertain that no predictions are being made as to where postwar production will finally stabilize. But if new deep levels which have hardly been touched really stand up, level of postwar production may be really encouraging.

At one time Lake Shore used to be regarded as a two-vein mine. It has long since passed that stage and the company has now a substantial number of veins from which ore can be drawn.

After the war — when greater manpower is available—Lake Shore wants to take a look at a number of its one chances too. There are a number of good bets on the Lake Shore property and it appears that a test of these is high on the priority list.

R. C. Stanley Predicts Enlarged Nickel Market

Here are highlights of President R. C. Stanley's remarks to shareholders at the annual meeting of International Nickel Co., of Canada, held this week at Toronto.

Reconversion: Inco's plants have no problems.

Nickel: Industry outlook bright; trend of sales growth expected to continue.

Copper: Stanley urges removal of U. S. peacetime duty of four cents a lb., assumes the copper market will have a slow recovery, due to volume of war scrap and devastation in Europe. Research and development should be accelerated, he adds.

Rolling mills: An ample market for the output of the Birmingham (England) and Huntingdon (U. S.) rolling mills will be found through new alloys and new products. At the U. S. mill Inco has installed one of the largest extrusion presses in the world at a cost of $1,250,000.

Ore reserves: High war production has diminished ore reserves and forced Inco to handle enormous tonnages of lower-grade ore to supply nickel requirements. The subsequent proving of diamond drilling discoveries may replenish diminished reserves.

Venezuelan deposit: Inco holds exploration and mining rights on nickel acreage where diamond drilling and trenching are being conducted.

Petsamo mine: Price was fair and equitable, although in the long run company would have been better off with the mine than with the $20 millions.

Stainless steels: Inco research and development section established to cooperate with steel industry on technical data. Best stainless steel contains 18% chromium and 8% nickel.

Nickel output 1944: 284,701,556 lb. of nickel in all forms from all sources, off 11,736,621 lb. from 1943, due entirely to lack of manpower.

Copper output 1944: Copper produced in all forms from all sources totalled 310,468,465 lb., off 8,130,131 lb. from 1943.

OIL PRODUCTION

New Conrad Test Well Probes For New Oil Pool

From Our Own Correspondent

CALGARY—The Conrad oil pool, the No. 1 prospect in the Alberta Plains, lies down the east flank of a Madison limestone "high." This week the California Standard Company commenced a key test to determine whether or not a similar pool lies to the west of the "high."

The well, Conrad Province No. 71-36D, is in the southeast ten acres of lsd 4 36-5-16w4th, about three miles west and half a mile south of its present Conrad producers, and two miles west and half a mile south of Conrad-Province No. 75-32B, which had no Ellis sand but reached the limestone "high." The drilling contract has been let to General Petroleums Ltd., who is now installing a light rotary rig. Spudding is expected in the immediate future.

Source bed of Conrad's oil is the Ellis sand, of Jurassic age—a deposition of marine origin now overlain by 2,900 to 3,200 feet of younger sands and shales in this area. Drilling to date has established that a Madison limestone "high" trends through Conrad-Province No. 75-32B, which is about a mile southwest and presumably across the line of strike from Standard's discovery Conrad-Province No. 2. This "high" well passed directly from shale to the Madison, with the Ellis sand completely absent.

North and south of this well, and about half a mile east across the presumed line of strike, the Conrad-Province Nos. 55-5A and 55-21B found Ellis sand above the Madison, as did the line of producers further east. Thickness of the Ellis gradually increases to the east, as indicated by the up to 70 feet of sand found at the Devenish-Skiff wells and the Mid-Continent 2 well drilled several miles to the east. One geological interpretation of this is that the limestone "high" represents the shore line of an ancient sea—the Ellis deposition down flank to the east representing sand laid down during the Jurassic age along the shallow shore waters, in course of time becoming a source bed of and trap for the oil now being found.

It would appear that the new wildcat is designed to test a variation of this theory—that the limestone "high" found at No. 75-32B represents not the western limit of the ancient sea in this area, but is a "ridge"—perhaps an island lying east of the actual west limit of the sea, or a finger of high lime extending out from the main shoreline. Should this interpretation prove correct, Ellis sand may be expected to occur down the west flank of the ridge, as it has on the east.

The stratigraphic trap formed by the deposition of Ellis sand to the east of the limestone high has been established as oil-bearing and water-free over a length and breadth of several miles. The sand, however, is subject to wide variation in porosity and permiability—at some locations drilled to date being too "tight" to yield commercial volumes of oil, and at other locations (even offsetting "tight" spots) being capable of yielding as much as 300 bbl. per day of 26-27 API gravity oil. Should a comparable Ellis sand trap exist to the west of the limestone high, it may or may not be productive. The "favorable possibilities" are such, however, that the "West Conrad" area is well worthy of an adequate test.

* * *

Mercury Oils Ltd. and Mill City Petroleums Ltd., members of the A. H. Mayland group of Turner Valley companies, have joined for the drilling of an important new well in south Turner Valley. The well, Mercury-Mill City No. 1, is to be drilled immediately in the centre of the southwest ten acres of lsd 10 16-18-2w4th on a 40-acre site comprising the south half of lsd 10 and the north half of lsd 7. Drilling contractor Valley Oil Operators Ltd. has commenced clearing the site, and will move in heavy-duty rotary in the near future.

* * *

California - Standard Company has swung several miles east of its line of previous Legend-Foremost wildcats for the drilling of a new venture, Foremost-Province No. 3. The new well will be drilled immediately in the southeast ten acres of lsd 9 15-7-12w4th, some 5½ miles north and over 3 miles west of the Foremost railway point. Drilling contract has been let to General Petroleums Ltd., who is moving light rotary equipment onto the site. The new south Alberta plains wildcat is about 2 miles east and north of the Conrad pool.

* * *

McColl-Frontenac Oil Company has added about 187,000 acres of Crown reservations to its already extensive holdings in the southeast Alberta plains area, as the company prepares to swing into action on a large-scale geological and geophysical program in that section of the province. The new block extends north from the Montana border, adjoining McColl-Frontenac's Pinhorn Dome acreage, and has its northern boundary some 30 miles inside Alberta, tying on to the south of large recently acquired California-Standard and McColl-Frontenac holdings. The acreage extends from Twp. 1, Ranges 7 to 11 North to Twp. 5, Range 9, West 4th Meridian.

* * *

Drilling contractor General Petroleums Ltd. is expected to start work in May on the next in a series of wells for Bata Petroleums Ltd., in the Vera-Unity area of Saskatchewan. The light rotary rig, used to drill Bata No. 3 well (first in General's ten-well contract with Bata) last fall, is already in the field. Geologist J. O. G. Sanderson has staked the next three wells in the program, for drilling in the area north of the Bata No. 2 discovery gas well, and south of the Bata No. 3, a small gas well.

Bata Petroleums acreage holdings total about 580,000 acres, extending east from the Alberta-Saskatchewan border, and including the bulk of rights in the following area: In Twp. 38, Ranges 22 to 28w3rd; in Twp. 39, Ranges 18 to 28w3rd; In Twp. 40, Ranges 18 to 22, south third of Ranges 23 and 24w3rd; and all Ranges 25 to 28w3rd; in Twp. 41, Ranges 25 to 28w3rd.

* * *

The Saskatoon-Aberdeen Oil and Gas Co. has been incorporated to develop possible oil resources near Aberdeen, a town about 20 miles northeast of Saskatoon. Capitalized at $50,000 no par value shares, the first issue of $25,000 in one dollar shares, has been nearly all subscribed.

Drilling apparatus is expected to reach Aberdeen about April 23, the work being done by Charles Mills of Lloydminster, who recently drilled the Community Services gas wells and the S.A.C. No. 1 well near Lloydminster. His rig also drilled the National Grant well at Lloydminster, the first oil-producing well in Saskatchewan.

While geological information about the Aberdeen area is not elaborate, seepages of gas in the vicinity have given indication of the presence of oil. The company controls about 70,000 acres in the district.

Officers are Jack Evans, president; S. A. Early, vice-president, and N. W. Shaffer, secretary, all of Saskatoon.

Oil has been found in Saskatchewan at Unity and Vera, west of Saskatoon near the Alberta boundary, as well as at Lloydminster. A strike nearer Saskatoon, at Aberdeen, might provide a more ready supply of natural gas to Saskatoon. Northern Natural Gas Company has a franchise to supply the city with gas. The franchise was granted in 1941 but the company has not been able to fulfill terms of the franchise being unable to get materials for construction of pipe lines.

H. W. Knight Heads McKenzie Red Lake

H. W. Knight, was elected president of McKenzie Red Lake Gold Mines at a recent adjourned meeting of shareholders. Other members of the new board include: Horace G. Young, vice-president; George Scott, secretary-treasurer; C. A. Gentles, J. Bradley Streit, Major A. C. Snively, directors, all of Toronto, and J. L. Ramsell, Red Lake, Ont. The new directors are to meet shortly to shape up and discuss future policies of the company. J. L. Ramsell continues as mine manager.

OIL SELECTIONS

Consolidated revenue of Oil Selections amounted to $11,177 in 1944, and after deducting expenses of $8,677 and taxes of $539, net profit was $1,961. Income from Lone Pine Oil Company's royalty interests in the United States increased from $4,868 in 1943 to $5,540 in 1944, with income expected to be further increased in 1945, provided that present rate of production in Texas is maintained, A. B. Stodart, president, reports.

The company holds an interest in Borradaile Oils which drilled three new producing wells in the Vermilion field, Alberta. Current assets as at Dec. 31, 1944, totalled $35,434 as against current liabilities of $2,959.

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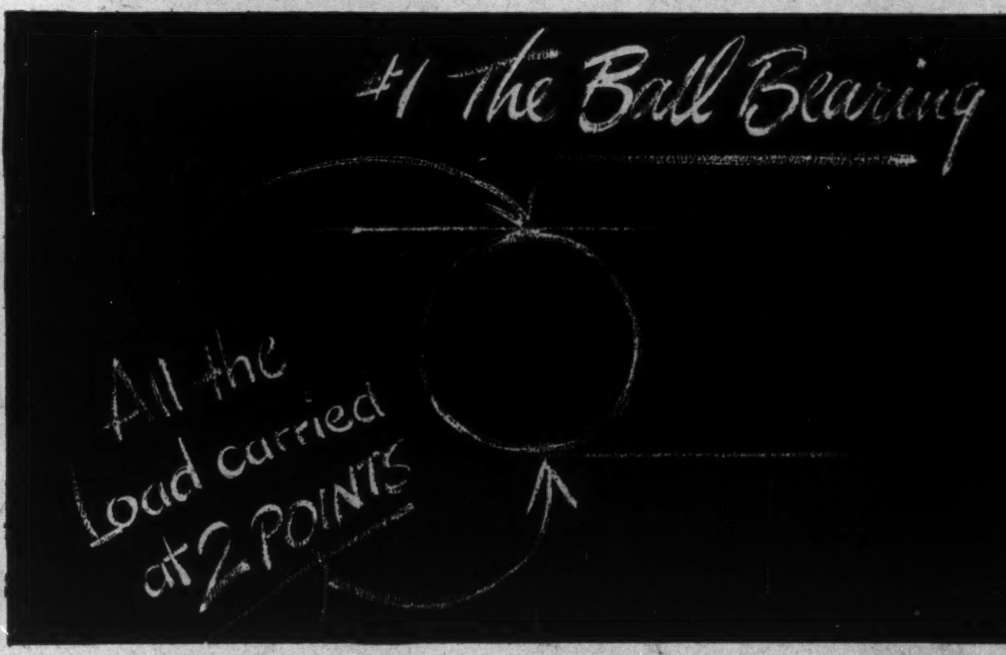
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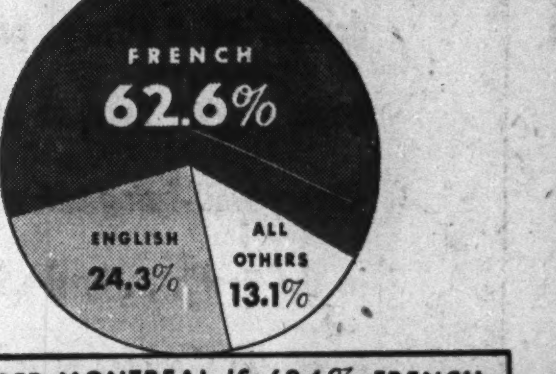

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